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**6 February 1985**

# **West Europe Report**



**FOREIGN BROADCAST INFORMATION SERVICE**

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6 February 1985

## WEST EUROPE REPORT

## CONTENTS

## POLITICAL

## AUSTRIA

- Green Movement Weakened by Left, Nonsocialist Division  
(Pentti Sadeniemi; HELSINGIN SANOMAT, 12 Nov 84) ..... 1

## BELGIUM

- Martens on INF, Taxes, Regionalism, Elections  
(Wilfried Martens Interview; LE SOIR, 20 Nov 84) ..... 5
- Tindemans' Performance as Foreign Minister Viewed  
(Christian Taverniers; L'EVENEMENT, Dec 84/Jan 85) ..... 13

## DENMARK

- Green Party Qualifies To Put Up Candidates for First Time  
(BERLINGSKE TIDENDE, 7 Jan 85) ..... 19
- Liberal Party Encouraged by Gains in Gallup Poll  
(Svend Bie; BERLINGSKE TIDENDE, 7 Jan 85) ..... 21
- Conservative Youth Organization Enjoying Large Growth  
(Michael Ulveman Jensen; BERLINGSKE TIDENDE, 26 Dec 84) . 23
- Feud Deepens Between Foreign Minister, SDP  
(Various sources, various dates) ..... 27
- Minister Explains Differences, by Uffe Ellemann-Jensen  
Coalition Partners Regret Attack  
SDP Spokesman Replies, by Solveig Rodsgaard
- Briefs  
PLO Expected To Open Office ..... 33

## FEDERAL REPUBLIC OF GERMANY

- Important Upcoming Elections Assessed  
(SUEDEUTSCHE ZEITUNG, 5-6 Jan 85) ..... 34

Stable Situation on Rhine, by Gerd Kroencke  
Berlin Minority Government Possible, by Volker Skierka

## FINLAND

- Changing of Swedish Neutrality, Consequences for Finland  
(Steve Lindberg; INTERNATIONELLA STUDIER, No 4, 1984) ... 39

- Majority Communists May Be Preparing for Formal Party Split  
(Editorial, Jan-Magnus Jansson; HUFVUDSTADSBLADET,  
20 Dec 84) ..... 58

## GREECE

- Papandreou Opens Peace Movement's Meeting  
(I. K. Pretenderis; TO VIMA, 11 Dec 84) ..... 61

- PASKE-ESAK-S Rift Indicative of PASOK-KKE Disagreement  
(V. Tzannetakos; TA NEA, 2 Dec 84) ..... 63

- Mitsotakis Position Within ND Seen Tenuous  
(Mikh. Dimitriou; TO VIMA, 9 Dec 84) ..... 65

- Tsokhatzopoulos' New Duties Defined  
(Mikh. Dimitriou; TO VIMA, 2 Dec 84) ..... 67

- Arafat Denies PLO Secret Services Transfer to Athens  
(TO VIMA, 10 Jan 85) ..... 70

- Greeks' Gap Between Real, Imagined World  
(Nikos Dimou; TO VIMA, 6 Jan 85) ..... 71

## NETHERLANDS

- Surinamese in Country Create Economic, Social Problems  
(Matti Klemola; HELSINGIN SANOMAT, 28 Dec 84) ..... 73

- Development Aid Budget Continues Rise Even in Recession  
(Matti Klemola; HELSINGIN SANOMAT, 29 Dec 84) ..... 77

## PORTUGAL

- Coming Election Creates Problem for Coalition Government  
(O DIABO, 11 Dec 84; DIARIO DE NOTICIAS, 14 Dec 84) ..... 82

Common Sense Needed, by Jose Miguel Judice  
Instability Expected, by Guilherme D'Oliveira Martins



Creation of New Party No Solution to National Crisis (Editorial; DIARIO DE NOTICIAS, 23 Dec 84) .....	86
Old, New PS-PSD Agreement Provisions Compared (O JORNAL, 14-20 Dec 84) .....	88
FLA Leader Protests Rapid Deployment Force Creation (DIARIO DE LISBOA, 19 Dec 84) .....	90
Poll Shows Pintasilgo Maintains Lead (O JORNAL, 28 Dec 84-3 Jan 85) .....	91
Rumors of Iranian Interference in Lisbon Moslem Community (A TARDE, 26 Dec 84; O DIABO, 1 Jan 85) .....	92
Agitation in Moslem Community Admonition to Community President	
Ideological Differences Cause Extreme Left To Leave PC(R) (O JORNAL, various dates) .....	93
Main Ideologue's Resignation PCR(R) Secretariat Member Interviewed, Eduardo Pires Interview	
Soviets Blamed for Poor Relations With Angola (Editorial; DIARIO DE NOTICIAS, 19 Dec 84) .....	99
Briefs	
Request for ECNR Membership	101
Prospective 'Peace Train'	101
Soares' Credibility in Doubt	102

#### SWEDEN

Palme, Bildt Debate Soviet Regard for Swedish Neutrality (Larserik Haggman; HUFVUDSTADSBLADET, 9 Dec 84) .....	103
Palme Cites 'Dangerous Criticism'	
Bildt Says Soviet Message Clear	
Palme Attempting Balancing Act	

#### SWITZERLAND

Green Movement Seeking Accommodation With Industry (Lauri Karen; HELSINGIN SANOMAT, 16 Nov 84) .....	113
---	-----

#### MILITARY

#### EUROPEAN AFFAIRS

Danish Defense Minister: Denmark Vital for Norwegian Security (Hans Engell; NORGES FORSVAR, Nov 84) .....	116
--	-----

## DENMARK

Knud Bork Kristoffersen Named Civil Defense Agency Head (Nils Eric Boesgaard; BERLINGSKE TIDENDE, 9 Jan 85) .....	123
Conscription Section Chief on Outlook for Manpower Needs (Nils Eric Boesgaard; BERLINGSKE TIDENDE, 9 Jan 85) .....	124
Armed Forces Commander on Tasks Ahead for Military (Nils Eric Boesgaard; BERLINGSKE TIDENDE, 3 Jan 85) .....	126
Defense Minister on Problems of Armed Forces, NATO Ties (Nils Eric Boesgaard; BERLINGSKE TIDENDE, 30 Dec 84) ....	127
Line Officers Group Chairman Complains of Personnel Policy (BERLINGSKE TIDENDE, 8 Dec 84) .....	129
Mass Quitting for Civilian Jobs, by Nils Eric Boesgaard SPD Organ Demands Remedy, Editorial	

## FEDERAL REPUBLIC OF GERMANY

Fleet Command's Mission, Structure, Communications Net (Volker Hoguebe; WEHRTECHNIK, Nov 84) .....	131
Naval Capabilities, Role Within NATO Doctrine Assessed (Gunter Fromm Interview; WEHRTECHNIK, Nov 84) .....	141
Territorial Units, Reservists Figure in Fall Maneuvers (Gerhard Veil; WEHRTECHNIK, Dec 84) .....	153

## GREECE

Briefs Spectacular Arms Sales	158
----------------------------------	-----

## NORWAY

Soviet Buildup in Kola Weakens Argument for Nuclear Free Zone (John Berg; AFTENPOSTEN, 27 Dec 84) .....	159
Defense Minister: Soviet Kola Buildup Should Be Countered (Einar Solvoll; AFTENPOSTEN, 21 Nov 84) .....	162
Briefs Growth in Military Budget	165

## SWEDEN

Soviets' 1952 Patrol Plane Downing Reassessed (DAGENS NYHETER, 10 Dec 84) .....	166
--	-----

## ECONOMIC

### DENMARK

EC Policies Creating Crisis for Dairy Farmers (Jussi Jalkanen; HELSINGIN SANOMAT, 23 Dec 84) .....	168
---	-----

### FINLAND

Finance Minister Sees Slowdown in Export Growth (HELSINGIN SANOMAT, 15 Nov 84) .....	173
Slight Decline Expected in Household Purchasing Power for 1985 (HUFVUDSTADSBLADET, 14 Dec 84) .....	176
Briefs Meat Exports to USSR .....	179

### GREECE

Proposed Budget Termed 'Antisocial,' 'Inflationary' (K. Kolmer; MESIMVRINI, 5 Dec 84) .....	180
--	-----

### PORTUGAL

Dilemma of Private Versus Public Sectors Viewed (Editorial; DIARIO DE NOTICIAS, 21 Dec 84) .....	184
EEC Membership Delay Humiliates Portugal (A TARDE, 20 Dec 84) .....	186
Poll Shows Popular Pessimism About 1985 Economy (O JORNAL, 28 Dec 84-3 Jan 85) .....	187
Briefs Flat Tax in 1987 .....	189
November Price Rise .....	189
Unemployment Statistics .....	189
Rise in Foreign Investment .....	190
Decline in Trade Deficit .....	190
Buying Power Decline Forecast .....	190

## ENERGY

### FINLAND

Electronics Exports to CEMA Countries Decreasing (HELSINGIN SANOMAT, 15 Nov 84) .....	191
Briefs Neste To Refine Less Oil From GDR .....	192

NORWAY

Labor Party Energy Spokesman on Policy Differences With Willoch  
(Ivar Hippe; ARBEIDERBLADET, 24 Dec 84) .....

193



POLITICAL

AUSTRIA

# GREEN MOVEMENT WEAKENED BY LEFT, NONSOCIALIST DIVISION

Helsinki HELSINGIN SANOMAT in Finnish 12 Nov 84 p 26

[Article by Pentti Sadeniemi: "There Are Two Kinds of Greens in Austria; Nonsocialist and Left Wings React to Union with Suspicion"]

[Text] Vienna—Until October Austria was a country in whose three biggest parties fear of the Green had not gained much of a foothold. In last year's parliamentary elections the combined result for the two Green tickets was only 3.3 percent. The results were no better in early fall in the province of Carinthia where there were as many as three Green tickets.

There was all the more agitation when the country's tiny, westernmost state, Vorarlberg, held its election on 21 October. The otherwise quarrelsome Greens had succeeded in putting together a common ticket and it was worth the effort: 13 percent of the vote and four seats in the 36-representative Parliament.

The absolute majority, which supports the People's Party, was reduced by a hair, support for the Socialist Party plummeted by about 5 percentage points and the Liberal Party was shoved into the position of fourth-largest party, exactly the same thing that happened to its West German sister party in many parts of the Federal Republic.

## Impatience with the Parties Is Infectious

Vorarlberg is a small area and, thinking in terms of all of Austria, it is not very representative. Nevertheless, we can understand how people in Austria too have been infected with the impatience with conventional, professional politics that is circulating in Europe. Nor do many people any longer believe that the result of the election in Vorarlberg will be the only one of its kind.

A few weeks before an analyst in Vienna had stressed the fact that the Greens' 3-to-4-percent success up to that moment did not correspond to their potential, which only division among themselves had prevented them from realizing. His estimate was a support figure of 8 or 9 percent — that is, still far from the 13 percent which the united movement actually attained.

It remains to be seen whether this new success will drive Austria's two movements into a state of lasting unity. Their principles and structures are very different from one another. There is the "Greens of the Left" movement, the AL or Alternative Ticket, and there is the "Right" or, if you will, the "Greens of the Center" movement, the VGOe or the United Greens of Austria.

As recently as during the Carinthia elections, the two movements were at each other's throats. In addition to them, a third, more or less ultranationalist group, whose efforts were chiefly directed toward restricting the linguistic rights of the region's Slovenian minority, had appeared under the sign of the Greens.

#### Anxious to Find Fault

In Vienna too the AL and the VGOe suspiciously sniffed at one another, delighted with the advantages of a merger but unwilling to give up their independence and special characteristics. AL "Coordinating Committee" (corresponding to a sort of party administration) member Fritz Zaun described the differences between his movement and the VGOe as follows: "The AL is fighting the causes of pollution among the environmental issues, the VGOe merely the symptoms. The AL is a movement that opposes the parties, while the VGOe "overly copies the structures of the old parties."

She too a member of her own movement's coordinating committee, VGOe member Eva Hauk described things differently. The VGOe is an individualistic movement, the AL an anonymous one. The VGOe pays attention to the concrete aspects of issues, while the AL has a tendency to lose itself in philosophizing and playing with ideas. As for her movement, Hauk rejected the whole Right-Left classification. The aim of her movement's platform was not to move to one side or the other, but straight ahead.

Be that as it may, a good old division into Right and Left nevertheless still seems to be serviceable for those who analyze the affairs of the fervidly quarrelsome friends of nature.

#### Focus on Leaders or Theories?

There is something of a nonsocialist, if not positively conservative cachet to the VGOe's hustle and bustle. The movement prefers to rely on visible leadership figures and on no account threatens them with replacement as soon as they have had time to become well-known.

It has an aversion to theorizing. It is certainly ready to tamper with social structures and to interfere with property rights if need be, but it does not want to construct theories on the basis of its ideas.

It is different with the AL, which is in all respects closer to the Federal Republic's Green movement than its competitor. In the AL there is a home for a whole bunch of former leftist socialists, communists and Trotskyites who have, of course, brought their ways of thinking with them.

The "1968 men," who have found their way into the AL, have, however, learned to question their beloved dogmas of the old days and shed themselves of a whole bunch of illusions. The AL is by no means actually a Marxist movement.

In the AL they believe in replacing representatives, if not necessarily in the middle of an election, at least during election terms. A ban is in effect on soloing — representatives on municipal councils heed the instructions of the "rank and file" or they have to resign. Affairs are handled as a group effort and the emergence of stars is not tolerated.

#### Peace Issues in the Background

Common to both movements is the fact that in them environmental issues are decidedly in the foreground and the issues of peace and disarmament, for example, which the FRG Greens are so ardently concerned with, are much more in the background.

The movements have their roots in the campaign some years ago against the launching of operations at the Zwentendorf nuclear power plant. Now a second power plant project has arisen as the burning issue, the one planned at Hainburg on the Danube which threatens precious nature areas with destruction. The Green movements' hopes for the 197 parliamentary elections are largely centered on the might of Hainburg in their function as arousers of public opinion.

Peace issues are, however, in the movements' platforms. The AL's Fritz Zaun at any rate described his position with the aid of the following story: Two men are standing face to face up to their groins in gasoline. One of them has three [lighted] matches in his hand and the other five. Which of the two is more dangerous?

The story reflects almost a kind of resignation that is so completely foreign their West German sister party: At any rate, those idiots must not be allowed to drop their matches.

#### Zone Straight Across Europe

The VGOe's Eva Hauk dug out the paragraph in her party's platform in which they propose a zone in Europe composed of neutral countries "as the first concrete step." These would be all the Nordic countries, the FRG and the GDR, Austria, Switzerland, Czechoslovakia, Hungary, Romania, Bulgaria, Yugoslavia, Greece and Turkey. Thus the VGOe clearly beats the pants off the AL, at least in utopia contests.

A merger of the movements? Zaun is of the opinion that it is "definitely to be hoped for." However, he does not feel that the chances of this happening are very good. The different natures of their organizational structures alone would make a merger difficult and create fear on both sides. The AL would be afraid of becoming an auxiliary force to the VGOe's political soloists, while the VGOe would be afraid of palace coup-d'etats by AL cadres.

Hauk is even more doubtful with respect to a merger. She in addition pointed to the "growing influence" of former communists within the AL.

Her attitude toward governmental power? Hauk is absolute on this. She "cannot imagine" the VGOe as a government party. The AL's Zaun, on the other hand, laughed: "I'd like to have that problem for myself some day."

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POLITICAL

BELGIUM

MARTENS ON INF, TAXES, REGIONALISM, ELECTIONS

Brussels LE SOIR in French 20 Nov 84 p 2

[Interview with Prime Minister Wilfried Martens by Janine Claeys, Guy Depas, Catherine Ferrant, Yvon Toussaint and Jacques van Solinge: "Greater Security, No Extension of Austerity, But No Reduction in Taxes Before 1986 and... Martens VI"; date and place not given]

[Text] [Question] Mr Prime Minister, what is the date of the next elections?

[Answer] 8 December 1985.

[Question] Is it definite?

[Answer] It will be as soon as the House, following the Senate has enacted the bill modifying the electoral law. Otherwise, we would have to vote on 2 June. But that date is excluded for me because it is too close to the Pope's visit to Belgium. And I feel that this visit should not influence the election. I talked about it, as early as last May, with Monsignor Danneels and he shares my point of view completely!

Hence, if the House doesn't enact the change in the electoral law, then it will be necessary to vote prior to the Pope's visit, that is to say in March or April. I will do everything possible to avoid that, but I don't want to hide from public opinion that such a situation is very much possible. Everything must be done, and I will do everything, so that the government will be able to go to the end of the legislative session. But anticipated elections can never be excluded.

[Question] What are the risks of an accident?

[Answer] There are two of them: decisions from the Council of State or the missiles. It is clear that what the Council of State will do will be of capital importance. It will be up to them to decide whether it would be proper or not to address a preliminary question to the Court of Arbitration.

[Question] Basically, what is the threat to the government?

[Answer] The possible annulment of the appointment of the three mayors in question -- Happart, Thiery and de Grunne -- would create definite difficulties. However, I believe that it is possible to find solutions. I have learned that the Council of State intends to issue these three decisions at the same time. For me, however, the three cases are separate and there are three different sources of difficulties.

In any case, it is clear that for the future regulations will have to be drawn up to avoid difficulties of this kind. It will be necessary to negotiate on this subject.

[Question] And the missiles?

[Answer] The decision will be made by the government alone, but it will obviously depend on the evolution of the international situation. While remaining in solidarity with NATO and its decisions, Belgium and the Netherlands have expressed a few reservations. If the government gives the green light, the missiles will be deployed in mid-March. But before making such a decision we will proceed with an evaluation of the relations and negotiations between the Americans and the Soviets.

Reorganization: I Decide!

[Question] Are there new concrete elements?

[Answer] Yes. Mr Reagan has announced that he wants to start up the negotiations again and contacts have been planned between Europeans and Americans.

[Question] Let us turn to the upcoming reorganization. How far have you gotten?

[Answer] In the present state of affairs the problem is limited to the replacement of Mr De Clercq alone. Hence, we will need a new liberal Flemish vice prime minister and a new minister of finance and foreign trade. That is all.

When we proceed with the reorganization the situation will not be the same as at the time of the government formation. In 1981 the party presidents intervened in the negotiations. Today my responsibility is much more directly involved. It is not the business of the parties...

I also believe that the majority must have a clear strategy to win the 1985 elections. We must convince public opinion that our policy is the right one. We cannot allow ourselves to simply endure the year 1985. We will have to produce a credible budget for 1986 and continue to implement correctly the multi-year plan to stabilize public finances. We will also have to reduce the net balance to be financed to less than 9 percent of the gross national product in order to open the way for the indexing of the tax scales.

[Question] And Mr Gol in the Ministry of Finance?

[Answer] That is a possibility which has been under discussion for some time. But today I don't think that that is the most likely hypothesis. The current situation presents a definite disadvantage as Mr De Clercq's departure has been known since July. But Mr De Clercq intends to stay on the job until the end to defend the budget in parliament.

Davignon: a "Good Minister"

[Question] You don't agree with Mr Deprez then who wants a broader reorganization?

[Answer] I notice that Mr Deprez is speaking only for the PSC [Social Christian Party (Walloon)]. I understand very well that one might want to set Mr Davignon aside for ministerial tasks but I don't think that this will be possible or desirable before the elections. It is of paramount importance, I repeat, to go to the end of the legislative session as we are in order to strengthen political stability and to win public opinion.

[Question] Let us return to the budget. Is the budgetary review set for early next year shaping up well?

[Answer] It isn't hurting me yet: for the first time since the crisis we have a net balance to be financed which is lower than that of the preceding year. In absolute figures we will end up with some 510 or 515 billion francs, which is compatible with our predictions. In percentages, the deficit was 11.3 percent in 1984, it will go down to 10.3 percent in 1985, and we will end up with 9 percent in 1986. It is then that we will be able to conceive of a reduction of the tax pressure. Not before. I have always said: after you have made efforts, then you can announce good news. But I will not give artificial presents.

From Tax to Debts

[Question] But in the meantime, the debt is growing and getting better...

[Answer] If we fully achieve the 3 year plan, then we will arrive at a deficit which, including the interest costs, will go up less than the GNP. That is what I have planned for the 1987 accounting year. At that moment then the vicious circle will be broken. It is clear that, in addition to the 3 year plan, the next government will have to take measures to have a direct impact on the debt.

[Question] Are you talking of a moratorium, of a consolidation?

[Answer] No, not at all. I stick to the government statement alone: the only measures we will take will be compatible with that statement.

[Question] What do you think of the current social climate?

[Answer] It is not really bad, on the contrary. The bill which contains the social measures is the most important one to have been introduced during the whole legislative session: it confirms the standards of competitiveness but also of very important measures to soften the rigidity of the labor market, based on the consensus of the social interlocutors. The FGTB [General Federation of Labor of Belgium] had accepted it at first. Next, it changed its mind, under the influence of the socialist parties, and it no longer accepted the interoccupational agreement. For me, the budgetary action, the income policy and the reduction of rigidity are the three most important points in government action for the future. But we must concentrate on those gains, hang on to them! Do you know that at the moment Belgium has, together with the FRG and Denmark, the most favorable figures in the European Community in matters of employment and unemployment?

Consumption Up?

[Question] Haven't we reached the danger point in terms of purchasing power?

[Answer] There will be a slight growth in consumption in 1984, of half a point. I swear to it!

[Question] That does not correspond to the EEC analysis...

[Answer] That is true.

[Question] Will you take any new social initiatives in 1985?

[Answer] No. Our bill includes major decisions. It will be the primary task of parliament to study it before the end of the year. I figured out that between now and the end of the legislative session there will be only 14 weeks of public parliamentary sessions left. Those 14 weeks will be very necessary to achieve everything that has been planned.

Security: Long Live Mammoth!

[Question] Won't you also have to take measures regarding security?

[Answer] For the first time we are confronted with terrorist acts, and the people are waiting for measures. We have already taken some! Even before the attack on the synagogue in 1982 we had decided to coordinate all the police services, gendarmerie services and intelligence services of the public prosecutor's office in order to be armed against such acts. Fortunately! This made it possible for the investigations to be effective.

[Question] You approve of the recent Mammoth operation?

[Answer] Absolutely. It was decided by the judicial authorities, but I approve without any reservations. But we have to make daily protection efforts which are costly. And you have to stay ahead of events in the matter. We'll do it!



[Question] Through additional measures?

[Answer] Yes! Efforts are being studied.

[Question] And for the media, what is your government doing now?

[Answer] Two projects are ready. One deals with commercial advertising on radio and television and the other with the organization of cable service. Commercial advertising is necessary in order to allow the functioning of a third channel system by cable, which the Flemish parties in the majority want. In the northern part of the country there is a concrete demand, and there might also be one on the French speaking side. It is up to the national government and to the national parliament to draw up and approve general rules for the whole country.

I Will Fight

[Question] How do you view your personal action in the months ahead?

[Answer] I will fight to win the next elections. I will fight to prove to everyone that our policy is the only one possible and that it must be continued.

[Question] Still with the liberals?

[Answer] It is obvious that I won't be able to lead a government with the socialists as long as they are not able to accept the only policy suitable for our country, which is the one we have conducted. I have gotten to a point where I can no longer accept the slightest concession.

[Question] Hence, it is the liberals or nothing?

[Answer] It is not our custom in Belgium to make pre-election agreements. But as prime minister I wanted to embody a clear and well defined policy. It is unthinkable that I should turn my coat.

CVP Too Small...

[Question] Some people are talking about your return to the presidency of the CVP [Social Christian Party (Flemish)].

[Answer] During the last few years I have been called upon to play a political role which goes well beyond the limits of my party. I can no longer simply return to the CVP...

[Question] Do you consider yourself a statesman?

[Answer] My government's action is not very popular. But I remain confident because I am convinced that what we have done is very positive. I experienced an immense satisfaction in achieving the state reform of 1980. I feel the same satisfaction in achieving economic and social reforms today which I was unable to achieve earlier.

[Question] You are presiding over the government of your dreams then?

[Answer] It is a good government even if it is not perfect. It is the best of the five Martens governments, even though the first one was not bad at all. Because it is able to make decisions under all circumstances.

[Question] Why?

[Answer] Simply because the real heads of the four parties are members of the government.

Good Old CVP!

[Question] That is not very nice for the four presidents!

[Answer] The presidents have another role to play: to prepare the future of their movement without concerning themselves all the time with government action.

[Question] But isn't Flanders too imperialistic with regard to the rest of the country?

[Answer] In a democratic system it is essential that there be a balanced development between regions and communities, and I don't share certain theses developed recently in a book written by a Flemish politician ("La Majorite Absente" [The Absent Majority], by Lode Claes -- editor). It would not be good for Belgium, or even for Flanders, if there were an unbalanced development among the regions. I want the regions and the communities to enjoy a broad autonomy, but by maintaining in any case a strong central government.

[Question] Leysen's thesis, in a way...

[Answer] Yes! Or rather, the Martens thesis! A broad autonomy of the regions and communities makes it possible to avoid the hegemony of one over the other. And we have to take advantage of the fact that there are three communities and three national languages in the country. Following the confrontations which took place and which still exist, we must achieve cooperation.

I will remain a federalist -- I have no hesitation about sticking to that -- but the time has also come to say that we have to learn to profit from the diversity and to make it profitable for the whole country.

#### Reducing the State

[Question] In the meantime nothing is simple between the regions and the central government. How do you apply it and what are you going to do?

[Answer] We have been faithful, but the law has not settled everything! It is obvious... The financial resources of the regions did not increase as expected because of the state's financial crisis. The law on the financing of national economic sectors has also been challenged, but it must be implemented

anyhow, even if it means changing it later on, "in tempore non suspecto," when neither Flanders nor Wallonia are experiencing any burning problems!

But I am convinced that the reducing of the state which is in progress, will be revolutionary and will lead, through the elimination of numerous semipublic organizations, to an increase in the financial resources at the disposal of the communities and the regions.

[Question] Reducing the state, depoliticization of the civil service: a sea serpent...

[Answer] No! People are just starting to talk about it. The role of the ministerial staffs must be changed. They are omnipresent, excessive. The administration must be given a chance again!

[Question] Would you agree to reduce your staff?

[Answer] Why not? But I would point out to you that my staff is small compared to others.

[Question] Will you make concrete proposals prior to the elections?

[Answer] Yes. Take a look at the magistrature already: Mr Gol has changed the procedure for appointments.

Return to Unity?

[Question] Let us return to the future of Belgium. Do you think that there is a certain will in the country to return to unity?

[Answer] Yes, it is gaining ground in Flanders, and also in Wallonia. Without forgetting, however, that in a period of crisis there is also a movement toward separatism, but it is not fundamental. This return to greater unity is also gaining ground within the CVP. This realization exists primarily among a class of young people, because one of the potentials of a greater autonomy for the regions and communities leads to a reduction of tensions and a more calm assessment of things. The young Flemish generation no longer lives confrontation. It is sure of itself, and is thus able to have a more calm appreciation of things, and thus to want to learn French or English or German seems positive to them.

[Question] Are you in favor of a return to unity on the basis of the provinces?

[Answer] Not at all. I want to strengthen the regions and the communities, and I am convinced that we have to go forward, but today we find ourselves in a situation where priority must be given to economic and budgetary matters. Hence, we will take an additional step from an institutional point of view after the elections.

[Question] What do you think about Reagan's victory?

[Answer] I have always been convinced that he would win substantially. But I was surprised that our diplomatic sources constantly advised caution. Those who lived closer to the United States were more cautious, which is probably in the logic of things. I was, however, won over to the female candidacy presented by the Democrats, but the presence of a woman was not able to alter the results. There is also a movement for the emancipation of women within my party, and I am very interested in it. To me, Reagan's victory was a personal victory, and I think that it was due primarily to the fact that in the United States he is the "great communicator."

[Question] Are you a Belgian Reagan?

[Answer] I am not a great communicator...

8463

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POLITICAL

BELGIUM

# TINDEMANS' PERFORMANCE AS FOREIGN MINISTER VIEWED

Brussels L'EVENEMENT in French Dec 84/Jan 85 pp 46-48

[Article by Christian Taverniers: "A Positive Balance Sheet?"

[Text] It was 3 years ago that our foreign relations minister took office. A Flemish proverb says that "the big trees attract the wind". Big he must be, because since he has been headquartered at 2 rue des Quatre-Bras, there has been no lack of squalls. On the left as on the right, he has been accused of everything and nothing: partisan spirit, Flemish nationalism, unconditional support for the Atlantic Alliance, etc. His quarrels with his secretary of state of Cooperation for Development made the front pages of newspapers which, most often, had not been very friendly toward him. The Pegard affair caused a real storm to explode in opposition to him. If the man suffered from it--and he probably did, because those who know him say he is sensitive--, the statesman certainly did not show it. Imperturbable, he continues to affirm--as he did on the first day--that while he sits in the chair of Paul-Henri Spaak and Pierre Harmel, he is realizing his oldest and most cherished ambition and is therefore a happy man.

What has this happy man done in 3 years? Has he a policy? Is he giving our country a flattering image? Is there any validity to the attacks of which he is the object?

His departure was tumultuous. He arrived at what initiates call "the Department" less than a month before Belgium assumed the presidency of the 10 countries that are members of the European Communities. A formidable test for the man responsible for foreign affairs, because basically he is the presidency. In the opinion, widely expressed, of all of Belgium's partners, he made a considerable success of it. However, there was no lack of problems to be solved: setting up martial law in Poland, the Falklands affair and all the questions on which the Ten had the greatest trouble agreeing, to say nothing of a crisis in the European Communities that was constantly being extended and amplified.

Under those difficult circumstances, he established himself right away as a very great negotiator.

It is true that he settled into his new post with the dual advantage of knowledge and prestige.

World affairs have always interested him.

He has followed them since his early youth with an attention that has never failed. They are his to the point that he is capable of teaching them and that is what he did at Leuven Catholick University and what he did at one time in Latin America.

Already a confirmed politician, for several months at Harvard he attended the famous seminar of a Henry Kissinger who was not yet either presidential adviser or secretary of state.

The documents and mechanisms of community Europe thus were no mystery to him.

On the other hand, the former Monnet Committee member and author of the "Tindemans Report", written in 1975 when he was prime minister, at the request of the other eight governments of the Community, the man whom people sometimes and for a long time have liked to call, beyond our borders, "Mr Europe", no longer had to prove his European commitments, and from the outset had the attention of an audience that could only reinforce his actions.

He got the most he could out of these two assets, surrounded by a small team of associates, "professionals" from the House, and he can still be found today with others, such as our NATO ambassador, Juan Cassiers, the general director of policy, Prosper Thuysbaert, his administrative assistants, Georges Van Der Espt and Roger Lenaerts, around him: Paul Noterdaeme, permanent representative to the European Communities, Philippe de Schoutheete de Tervarent, Belgium's ambassador to Madrid, and Alfred Cahen, general director of policy.

The uninterrupted presence of the latter--a former administrative assistant and an intimate of Henri Simonet--at his side is enough, moreover, to indicate that there is some justice in the accusations leveled at Leo Tindemans that in running his administration he displayed the narrowest partisan spirit.

The three diplomatic movements that look place under his authority also show that to him the man's quality counts infinitely more than his party membership or his linguistic affiliation. Those who wished--and still wish--to get him into trouble on that subject would do well, before saying anything, to go through the names of those who hold title to our large embassies.

Modern diplomacy covers a number of growing fields and imposes on its protagonists increasingly heavy responsibilities.

The increasing multilateral meetings, many of them in the context of the Europe of the Ten or the Atlantic Pact, are obligatory, the constantly more imperative necessity for personal contact, are forcing our Excellencies, if they want to practice their profession properly, to run to the four corners of the world.

That is exactly what Leo Tindemans has done. A very popular speaker, he does not hesitate in addition to sacrifice himself in that area also, whether he is going all out abroad, to promote Belgium's image in this way, or whether he is trying, at home, to explain his foreign policy to our national public opinion. The most prestigious platforms have been and still are open to him and he is ready, as he has just done, to make the Brussels-Washington-Brussels round trip to be the second speaker, after the famous Senator Sam Nunn, at Georgetown University's Center for Strategic and International Studies, to speak as part of the newly created "David Abshire Conferences". When one is aware of what this kind of activity means in terms of fatigue, considering his already heavy schedule, one cannot help being impressed. But he considers this indispensable for Belgium's image and for that of Europe, of which he is one of the best-known faces on the other side of the Atlantic.

But these journeys around the world, useful as they may have been, were they not made at the expense of the substance of our foreign policy? For, in the end, no one can do two things at once, in Washington and also in Brussels.

However, that was not the case. No important sector of our foreign relations was neglected. It is true that the man in charge of them made extensive use for that purpose of those of his associates in whom he had confidence. Furthermore, he admits it readily and often.

The main lines which since the end of the Second World War, in the area of Belgian foreign relations have formed an invariable absolute--the European option and loyalty to the Atlantic Alliance--have been maintained, even though adaptations were required.

A European from the first moment, Leo Tindemans wanted to give Belgian's activities in that regard a more decisive pace and a character even more militant than it had been before.

As far as the Alliance was concerned, his role was not an easy one. Profoundly convinced that there is no real defense for Belgium or indeed for Western Europe outside of that Alliance, Leo Tindemans tried to affirm that his country was a credible partner despite budgetary cuts that necessarily restrict the government's defense potential.

The credibility he acquired in this way he put to the service of two projects.

He is in fact aware of the aspirations of the majority of Belgian public opinion in East-West relations. He knows that the inhabitants of a small country in love with peace can hope for just one thing: reduced tension.

He knows, on the other hand, about the reservations held by certain sectors of that same public opinion vis-a-vis NATO. In particular, he makes no secret of what was revealed by the debate on deploying medium-range missiles: namely, that there exist important pacifist groups whose members do not consider that organization as something meant to protect the populace, i.e. themselves, but rather as something imposed upon them by a remote authority that is manipulated from across the Atlantic.

That being the case, he has devoted himself to a dual task.

First, the task of relaunching the "Harmel" doctrine while adapting it to the new realities of the international situation.

Next, the task of creating within the Alliance a European dimension to security that comes closer to that of public opinion in Europe.

Responding to the first concern, what is now known among the allies as "the Tindemans exercise" resulted in approval, by the Ministerial Council of the Alliance meeting in Washington on 31 May, of a document that again requires the allies to approach their relations with the USSR and the Warsaw Pact countries in the context, of course, of a credible defense, but also of openness to a positive dialogue designed to place East-West relations again in a perspective of detente.

Aiming at the second objective, the relaunching of the Western European Union (WEU) is meant ultimately to create a strictly European center for reflecting and collaborating on security. Of course Leo Tindemans much preferred that the Ten should serve as the framework for that initiative. However, being a realist, he obviously realized that Ireland, Denmark and Greece--for diverse reasons--were not ready to take that step. So he had to resign himself to doing it--to start with a "variable-geometry Europe"--without them, with seven--Benelux States, France, Great Britain, Italy, FRG--and to do so, use an organization created in 1948 and expanded in 1954, but which has never really functioned as far as the basic scope of its activities is concerned.

It was on 21 December 1983 that the Belgian foreign relations minister launched the idea in an article in LE MONDE, which caused enough stir that the project was taken up by France. Early in February 1984, Paris, in agreement with Brussels, circulated among the WEU partners a memorandum in which its different aspects were developed. Two ministerial meetings, one in Paris--just for foreign affairs ministers--in June and the other in Rome--for foreign affairs and defense ministers--in October, were intended to give body to the "Tindemans idea" which today is becoming a reality.

On the other hand, wherever a policy existed and was developing in satisfactory fashion, it was pursued vigorously. For example, the Arab policy inherited from Henri Simonet but handled more flexibly by his successor, who did not forget that in a region where the situation is so fluid, it is necessary to remain credible in the eyes of all of the interested states.

On the other hand, wherever the action lacked guidelines or coherence, it was remedied. One remembers the document on "Belgium's African Policy" that was submitted to Parliament in 1983 and which, for the first time in over 20 years since the Kingdom ceased to be a colonial power, went all out to introduce carefully articulated options on realities and indicating clearly defined objectives. In addition, an African Institute is on the way to being launched which cannot fail to provide the Belgian government with a special influence in its relations with the continent.

A new document has just been completed which, this time, will outline an Asiatic policy; its circulation is said to be imminent.



The Belgian presence on the African scene has asserted itself and expanded since he has been directing his country's diplomacy while, alone or through the Ten, it has assumed a new dimension in Asia as in Latin America, where its activities as part of the recent Conference of the Ten Central American Countries in San Jose, Costa Rica, have been considerable.

Finally--notably in the field of human rights in the broadest sense of the term, in disarmament and in support for the UN peace mission--he has very clearly raised the profile in that organization in Belgium of the state he represents there. The speech he gave last September before the 39th regular session of the General Assembly of the United Nations, dealing with this point, so impressed his listeners that, in an absolutely unheard-of act, Secretary General Perez de Cuellar took the initiative of writing to thank and congratulate him.

Leo Tindemans is as concerned about organizing his administration as he is about the substance of its diplomatic positions.

Has enough been said about the new linguistic imbalance that is seen in the diplomatic career, and has it brought him enough grief?

However, he is really the first to have felt it and been troubled by it.

It was he who called upon one of the greatest administrators of the Belgian government, the former administrative assistant to the king, Andre Molitor, to prepare a report recommending remedies.

He was also the man who thought of founding a diplomatic academy that would assure the foreign service under the Foreign Affairs Ministry of adequate recruitment.

No one is a prophet in his own country. Leo Tindemans knows this, now, better than anyone. The diplomat in him--who is at the center of Work for European Construction, who is listened to in Washington and with whom even Moscow happens to seek to have contact--is not without critics.

This was shown most recently and very clearly by the Pegard affair. Nevertheless, what did he do if it was not to draw the attention of his colleagues in the government to the extremely diverse and not unimportant aspects of its international repercussions and the procedures that should be employed in that case?

The fact that at least three ministerial departments were dealing with the problem meant that each one had only one part of the file and they weren't pulling together and consequently had areas of disagreement, exceeding the permissible limits, on the necessary decisions--whatever they might be--and imposed on the team in power a solution that was thrown together and therefore produced discontent in everyone in Belgium and elsewhere.

It was tempting, under the circumstances, to shift onto the man in charge of foreign affairs--a field that is always somewhat mysterious and suspect in the eyes of public opinion--the responsibility for this issue, by explaining it either on the basis of his hostility to Walloon industry (whereas nothing is farther from the concerns of this dyed-in-the-wool Belgian) or his unconditional

support for the Atlantic Alliance (whereas he had begun to negotiate very firmly with Secretary of State Shultz on lifting American reservations concerning the exporting of machine tools that were controversial since he had obtained substantial compensation for the Belgian government in favor of the firm, for the nonexportation of the second of these machines).

Would you believe that after only 3 years in office he was personally familiar with the careers of most of the agents for whom he was responsible, and with their personal problems, which he wants to take into account when the annual diplomatic transfers take place?

Because he is extremely scrupulous, he hesitates for a long time before he approves the appointment of anyone for Kinshasa, Brasilia or Prague.

If in the end, confusion prevailed in a whirlwind of mutual accusations and mini-scandals, the fault cannot be imputed to him.

Is he also "innocent" in his quarrels with his secretary of state of Cooperation for Development, Mr de Donnea? Here, things are less clear and the responsibilities seem to be well and truly divided. This is not the first time, moreover, in Belgian political life, that a young wolf and an old crocodile have confronted each other. But it is too bad. Both men are of too high quality, it seems to me, to lose time in this way and use their strength in vain quarrels, which only do each of them a disservice. All the more so because, if we really look at the personal and political aspects of their quarrels, we see that the substance, the differences of opinion as to the background of the problems appear to be extremely slight.

We deplored that situation in our edition of last April. Now we can announce that both men have agreed to work together and coordinate their efforts. Thus, the conflict situation that in its time made newspaper headlines, is resolved. The minister and his secretary of state are finally going to be able to firmly tackle our cooperation for development agency, so it can again be given the tone and the effectiveness that it deserves.

So, a positive balance sheet?

Absolutely.

As far as we are concerned, from now on Leo Tindemans has a place in the line of the great foreign affairs ministers of Belgium, and our country has been privileged to have pretty good ones.

Undoubtedly, Paul-Henri Spaak would not be unhappy to see him where he is and to assess what he has accomplished.

That is a handsome compliment. We are aware of it. It is not necessarily a judgment that is reassuring to Leo Tindemans. Wasn't Paul-Henri Spaak ousted before he could finish his battles?

8946

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POLITICAL

DENMARK

GREEN PARTY QUALIFIES TO PUT UP CANDIDATES FOR FIRST TIME

Copenhagen BERLINGSKE TIDENDE in Danish 7 Jan 85 p 9

[Article by RB: "Greens Will Run in Municipal Election"]

[Text] The Green Party, which by its petition has become qualified to run for the Folketing, will put up candidates in the November municipal election.

This was approved at the weekend meeting of representatives at the Rudolf Steiner Child Care Training College at Ordrup. Running in the municipal election was chosen because of the desire that most all decisions be made by the municipalities or smaller geographical units.

It is desired that the use of resources by municipalities be reevaluated so that ecological considerations are increased, recycling is strengthened, and natural materials are used.

In a statement from the meeting it was announced that the Green Party will work for close democracy, and will urge municipalities to place locations at their disposal for practicing of close democracy.

The Green Party especially emphasized that the fight against nitrate pollution can not wait, and that Environment Minister Christian Christiansen's plan for dealing with pollution in agriculture is inadequate.

At the meeting there was a lively discussion of the appointing of a number of committees, if they should be open or closed committees, and whether they could add to their numbers on their own initiative. Fear was expressed of influence from the Left or Right, and of a possible coup attempt.

Representatives all addressed each other by their first names, and there were placards hung with the logo of the Green Party, a blooming yellow dandelion with green leaves.

At the meeting there was appointed a coordinating committee, a program committee and an environmental committee.

The following were selected to the coordinating committee: Johan Brun, Ostre Storkreds; Vibeke Christensen, Aarhus; Annette Dahlerup, Roskilde; Ingvar Hedegaard, Aarhus; Ole Jorgensen, Nyborg; Egon Rasmussen, Lemvig and Kirsten Horneman, Helsingor.

The Green Party chose as its slogan: "Greens Don't Promise Gold, But Green Forests."

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POLITICAL

DENMARK

# LIBERAL PARTY ENCOURAGED BY GAINS IN GALLUP POLL

Copenhagen BERLINGSKE TIDENDE in Danish 7 Jan 85 p 3

[Article by Svend Bie: "According to Gallup--the Greatest Support for Liberals in 10 Years"]

[Text] After the latest Gallup poll Uffe Ellemann-Jensen said that the Liberal Party ministers are in there where things are toughest, and they are getting praised for it. Helge Dohrmann said that the Progressive Party is more in harmony with the people than the queen.

An election now would give the Liberal Party the greatest support in nearly 10 years. The latest Gallup poll gives the party 12.4 percent of the votes, and that has not been exceeded since Hartling in 1975 doubled the party and received 42 seats in the Folketing. And already by the election of 1977 the party was down to 21 seats--one less than the party would get today.

"Obviously it is good to see that the voters are backing the Liberal Party," said the party chairman, Foreign Minister Uffe Ellemann-Jensen. He recognized that it was only one Gallup poll, but believed that the good figures were due to the voters' recognition of the job being done by the Liberal ministers.

"The Liberal Party ministers have been involved in rather difficult issues. They have been in the front lines, where the punishment is the toughest. It is unusual to see the voters recognize their inputs," said Uffe Ellemann-Jensen who, as a Liberal Party minister has often been under fire himself, but who is now being surpassed by Interior Minister Britta Schall Holberg as the most controversial Liberal Party minister.

The latest Gallup poll also produced the lowest figure so far for the Progressive Party, which only managed to hold onto the two percent limit.

Party founder and former leader, Mogens Glistrup, told BERLINGSKE TIDENDE that it was because he is in prison.

"I am of course the one who has founded the party, written the platform, etc. The party became synonymous with me. That is why they put me in prison."

The current chairman, Helge Dohrmann, also believes that Glistrup's being in Horserod is an important explanation for the party's low standing with the voters.

"I have no doubt that we will have an upswing when Glistrup comes out. We have the people with us. We often confirm that, but Gallup believes that it is not good to vote for the Progressive Party. Take for example the issues of refugees and foreign workers. On those issues the people are much more with us than with the positions expressed in the queen's New Year speech," said Helge Dohrmann.

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POLITICAL

DENMARK

CONSERVATIVE YOUTH ORGANIZATION ENJOYING LARGE GROWTH

Copenhagen BERLINGSKE TIDENDE in Danish 26 Dec 84 p 6

[Article by Michael Ulveman Jensen: "A Lifestyle to Be a Conservative"]

[Text] KU [The Young Conservative Association] and conservatism has the wind in its sails in the fight against social democratic thought: But just as important as the political work is the fellowship, ceremonies and solidarity. It is a lifestyle to be conservative, and that was shown in several ways at the KU 80-years celebration.

Is it really possible to clap so much--and so long?

The question arises for an outsider at this banquet for the Young Conservative Association, which is 80 years old. What began with a principal speech by the old KU member John Winther, now mayor of the stronghold of Frederiksberg, grew into a display of thunderous speeches by former chairmen of KU. All wanted to have the floor for a "few remarks." And the atmosphere in the Industry House at Kolding reached great heights as the salvos of applause swept through the hall, over the heads of the festive assembly of young conservatives.

"We are so tolerant that we even tolerate VS [the Left-Socialist Party] who see it as their job to be intolerant. But just let the Progressives, the Communists, the Nazis and all the others have seats in the Folketing where we can meet them in an open fight. Democracy and freedom will win every time," concluded the former KU chairman Lars Poulsen, who overtook the other speakers with the evening's greatest applause. He confirmed before an open microphone, "I like that applause."

The applause was a spontaneous outbreak of joy and satisfaction in the youth organization. Something which is deeply rooted in KU. And one should also emphasize the solidarity and fellowship--and the unified struggle.

Even though the evening's and weekend's salvos of applause were coined in response to specific statements or conservative figures of speech, it shone

through the footlights that the ovation was just as much for the advance of the conservative movement: It has again become wonderful to be a Conservative.

All investigations and surveys show that the conservative movement has wind in its sails. Conservatives have the top post in the government, and membership in the Young Conservatives has exploded. One must go back more than 10 years to find similar political success.

There are now nearly 13,000 youths in KU, and in the organization they look forward to the day when they overtake Social Democratic Youth in the number of members. That will be still another sign that it is not in to be a Social Democrat. And it will be a symbol that the nonsocialist youth clash with social democratic thoughts and ideas is winning greater and greater support. Individualism will win over collectivism.

#### Hair Lotion

"It is a lifestyle to be conservative," say the members of KU. Part of the lifestyle is a highly polished exterior, where nothing is left to chance. Girls in fashionably tight skirts and most boys wearing leather ties. "State support should be given to the production of such slit skirts," said one of the less serious delegates, while his eyes indiscreetly followed a girl passing by.

But the members of KU themselves say that too much is written and said about KU clothing. It is part of creating prejudice, which is harder to overcome, and which prevents a relevant political message from coming through.

Being a member of KU is not just an expression of political involvement. It is also a place where things happen. Celebrations and solidarity are just as important as the political struggle. And both Defense Minister Hans Engell and John Winther do not avoid telling the members of KU that they both met their wives during their days in KU.

Naturally "the young 80-year old" must be celebrated with style, and those who expect to get more than a couple of hours sleep are considered boring. For lack of something better, hair lotion is filtered through an active charcoal filter and mixed with orange juice; it has an entirely intoxicating effect. It tastes awful, but it is cheap.

Even though things continue into the small hours, a watchful eye is always kept for the P4 journalist who circulates with an open microphone among the KU delegates. They are well aware that a less than sober comment from a girl that she came there for the KU boys, would be heard on Sunday's radio program on the "state monopoly."

#### Marketing

KU has a central place in youth consciousness. A Gallup poll in April showed that 62 percent of all youths between 15 and 29 named KU as a political youth organization. DSU was named by 39 percent.



### 'The Government Should Resign'

Rene Offersen, age 20, is a private in the Life Guards at Esbjerg: "I would like to see the government resign. The Conservatives have given in too much on important issues of principle, yielded on viewpoints because of cooperation within the government and because of cooperation in the Folketing. On defense positions, on TV-2, the European issues (tighter cooperation--ed.) nuclear power and privatization, everything has been compromised too much. The party is afraid to stand fast on its viewpoints. That means that many people see the Quartet Government as a necessary evil to see them through the economic situation--then the Social Democrats will return.

"Instead the government should conduct more ideological policies so that people can clearly see that it is more a question of spirit than economy, and that the Conservatives have many forward-looking positions. I believe that would make us much stronger. If nothing else, the important issues of principle could be sent to a referendum.

"I believe that in many areas KU is more ideological than the party. On the environment issue, for example, we are proposing a line which is more consistent. We believe that society must not develop faster than the environment can stand, and that employers should be fined twice as much as they have earned by disregarding environmental considerations.

"People believe that when one is a Conservative, he is satisfied with the environment, because the Conservative Party is the party of the capitalists. That is because we get contributions from DA [the Danish Employers' Association]."

### 'Study of Law Is Natural for a Conservative'

Anne Jastrup, age 20, is a law student at Aarhus: "Many people believe that when you are a member of KU you sit around and drink red wine and wear a necktie. Once at a meeting we conducted an investigation which showed that people still have a prejudice against KU. It is true that some people come to the group with that attitude, but they soon find themselves outside again. I also think that they damage KU more than they benefit, because they are contributing to building up prejudices against KU. That should not be a barrier to having political viewpoints.

"Some come mostly for the good fellowship--I do not believe that the local clubs can survive exclusively by talking politics. It is a lifetime attitude to be a Conservative, and therefore it is natural that people become good friends quickly, and have a good time. We do many things together besides politics.

"What I can rely on about KU is that there is room for all opinions. We have no little red book that we must follow, and nobody wants our opinions to remain fixed.

"It is very common for a Conservative to pursue higher education. But that applies to all who are interested in politics. Because through study one gets an insight to where society is going. And people are interested in society when they are interested in politics. It is natural that a Conservative would choose to study law, because a conservative attitude begins with respect for law and democracy."

9287

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POLITICAL

DENMARK

## FEUD DEEPENS BETWEEN FOREIGN MINISTER, SDP

### Minister Explains Differences

Copenhagen AKTUELT in Danish 28 Dec 84 pp 8-9

[Op Ed Article by Foreign Minister and Liberal Party Chairman Uffe Ellemann-Jensen: "'I Am Worried'"]

[Text] I am worried about the old honored Social Democrats. I say this without malice or irony--because I believe deeply and firmly that to a great extent the political and social stability of Denmark rests on a balance which includes a responsible and strong Social Democratic Party.

Therefore, it worries me that the Social Democrats at the moment do not act like a party capable of governing. And that is a serious matter--not only for the party itself, but for the entire Danish society.

Therefore, I also feel entitled to issue these comments as a "New Years Greeting" to Denmark's continued largest party.

At the same time, I feel tempted to return some of the attention which recently has been focused on the Liberals and on me personally by a number of leading Social Democrats--both anonymously from "Mr. Altmann" and from others who have signed their names.

A central theme in the comments from these Social Democrats has been anger and annoyance that I, on various occasions, have permitted myself to speak critically about the Social Democrats' policies.

That is completely correct. I have spoken openly about the Social Democrats --"without hiding face and name," as things are and ought to be in the Danish political debate--and I will continue to do so! This is because the Social Democrats' current crisis has significance for the entire political life of Denmark.

Many questions presently are being raised concerning the Social Democrats' trustworthiness and inner direction.

It is nothing new that the Social Democrats have difficulty with standing on their own two feet in their role as the opposition. That has been seen

previously. And naturally, we others also have a greater experience in learning how one uses time practically while one is in the opposition.

One gets the feeling that these questions also are being raised about the many and widespread Social Democratic local ward leaders--who, through their daily and responsible efforts in municipal councils and other places share a joint responsibility.

It is apparent to everyone that the Social Democrats have a leadership crisis. I say that with the same right as that by which Mr. Altmann has attempted to give the impression of a leadership crisis among the Liberals--but I do it without his strong and personally derogatory comments, partly because there is no basis for such comments about the Social Democrats' chairman, and partly because a party's leadership crisis is something other, and more, than a question about the person who has been elected leader of the party.

The attempt to portray a party's crisis merely as an issue involving an individual person is an all-too-easy cover for the many who bear a joint responsibility for the leadership crisis and who willingly hide behind a party leader. The discussion in and surrounding the Social Democratic Party is, in my opinion, a clear example of this.

There are many who bear joint responsibility for the Social Democrats' present crisis. First and foremost are the many at the top who have the knowledge and insight into the areas with which they concern themselves--but who nonetheless have allowed developments to run away from them. I am thinking naturally in this regard primarily of issues such as security policies and economic policies.

The leadership crisis is not so much a matter of getting members of the group to "shut their mouths," as the party chairman has said (excuse the pun!). Rather, there is the issue of maintaining a political line with internal consistency. And it is precisely that which we lack in the Social Democrat's wierd performance in the security policy area, while at the same time, we lack a realistic alternative to the government's economic policies. It is not enough to issue scoldings over cut-backs in the public sector if one is not in a position to offer a realistic and coordinated alternative. And that is not accomplished through unfulfilled promises to the many who unavoidably are affected adversely by the public cut-backs which are so imperatively critical for halting the increasing indebtedness of our society. Because where is the money to come from for the so-called "socialistic revival," which seems to be the main theme of the Social Democrats' campaign against the government's economic policies?

Because we certainly must not again set our course toward that abyss which the Social Democrats themselves feared--shall we?



We lack answers to all of this in the varied and internally inconsistent proposals which we have seen up to now from the Social Democrats' side.

In addition, there are further questions where the Social Democrats' leaders also clearly have lost connections with their own districts around the country--for example, the nearly fanatic opposition to advertisements on television, which should be able to provide us with a chink in the national radio's monopoly.

It is no response that many of the party's delegates around the country have doubts--and that questions increasingly arise concerning who actually speaks for the party on the various issues.

This must cause concern at the top levels of the party. Because presumably it must be perfectly clear that it is primarily the party's members out in the country--with many talented mayors in the lead--who have received an essentially unchanged Gallup-poll support despite the many blunders at the national policy-making level.

As stated, the lack of an opposition which is capable of governing is also a societal problem which should cause serious concern in the other parties as well which also compete with the Social Democrats for votes.

It would be wonderful if we could discuss these political questions in relative calm and peace instead of having the leading Social Democrats--either anonymously or openly--attaching themselves to the pure formalities in this debate.

It is stooping too low when, for example, Svend Auken attacks me for misusing an official tour to Japan for party political goals when I discussed the political situation in Denmark with a totally private gathering of about ten Danish businessmen. Did Auken really imagine that I could do this without touching on the Social Democrats' position in the political picture--and did he really imagine that in such a case, I would have only friendly comments about the party?

Hardly. And for goodness sake, there is still room for an open political debate among Danes!

Correspondingly, when Knud Heinesen strongly attacks me for my having noted to Danish journalists following the NATO minister's meeting in Brussels concerning the unmistakable fact that the so-called "security policy majority" in Parliament was incorrect in its supposition that the new negotiation contacts between the U.S. and Soviet Union only could occur if NATO bowed to the Soviet conditions respecting deployment of Western missiles in Europe.

Yes, dear Knud, but can one no longer state facts when they are in opposition to that which one wants to see? I have shamefully loyally asserted the normal Danish views, notwithstanding that in my opinion time has passed

them by--and among other things, it is this which we now must discuss thoroughly and calmly in the special parliamentary committee which has been appointed to handle the report of the Dyvig Committee.

That type of attack has an odor about it suggesting that one would rather talk about "something else." And naturally, that is also the easiest. But political leadership can once again not be united through an attempt at escaping from problems.

Therefore, it is my hope--and my New Years Wish for the Social Democrats--that we can discuss things openly and without recriminations.

It is important to show the rest of the world that the dividing line in Danish security policies lies between NATO opponents and NATO supporters --and that therefore, it does not exist between the government and Social Democrats, but presumably at a place out to the left of--or perhaps within--the Social Democratic Party.

Hopefully, you yourselves will find a solution for your problem. That is my New Years Greeting to the Social Democrats. Because notwithstanding that I far from always agree with you, you are nonetheless indispensable in our political system.

#### Coalition Partners Regret Attack

Copenhagen INFORMATION in Danish 29-30 Dec 84 p 18

[Article: "Conservatives Believe Ellemann Damages Negotiation Climate"]

[Text] Conservatives fear that the stab in the back to the Social Democrats will block the efforts of the Dyvig Committee.

There is increasing criticism of Foreign Minister Uffe Ellemann-Jensen's hard line against the Social Democrats from Conservative members of Parliament.

Members of the Conservative parliamentary delegation tell INFORMATION that the foreign minister's "stab in the back" is about to become a serious threat to the hope of achieving agreement with the Social Democrats on security policies. It is the government's thought that this wish should be respected by the so-called Dyvig Committee, which will commence work in the beginning of next year.

One of the Conservative members of the Dyvig Committee, Karen Thuroe Hansen, states:

"I must admit that I feel a little piqued over the fact that the foreign minister is spitting out such fire. We know after all that he has contributed to pouring gasoline on the fire. The transparent banter between the Social Democrats and Ellemann-Jensen is not the best way to create a proper

work environment for the Dyvig Committee."

Karen Thuroe Hansen adds that she does not see it as a Conservative undertaking "to muzzle the leading members of the cabinet, but there must be certain limits when one is acting as a representative of the country."

The leader of the Conservative parliamentary delegation, Knud Ostergaard, who also is the chairman of the Dyvig Committee, says:

"I will not get involved in the dogfight between the Social Democrats and the foreign minister, but I find it incomprehensible that personal animosities can have a bearing when problems of such dimensions are being discussed. But after all, the Social Democrats have been after the foreign minister for a long time."

"Would you deny that a personal grudge also could be playing a role in the minister's attack on the Social Democrats?"

"I am neither a heart nor brain surgeon," he states.

The leader of the Conservative delegation emphasizes that he will not correct anyone.

"But I have told both the Social Democrats and our own people that I place great emphasis on all of them restraining themselves in order to create a suitable climate for negotiating."

On Friday, Uffe Ellemann-Jensen directed yet another attack against the Social Democratic opposition.

In an opinion editorial in AKTUEL, he characterized the Social Democrats' policies as inconsistent and as an attempt to escape from problems. Especially the party's performance respecting security policies has been "wied." The leading Social Democrats, in spite of their insight, have "allowed developments to run away from them." The Social Democrats can thank their capable mayors primarily for an "essentially unchanged Gallup-poll support, despite the many blunders at the national policy-making level," Ellemann-Jensen writes.

#### SDP Spokesman Replies

Copenhagen BERLINGSKE TIDENDE in Danish 30 Dec 84 p 7

[Article by Solveig Rodsgaard: "New Battle Between SDP and Uffe Ellemann"]

[Text] Svend Auken characterizes the foreign minister as a young circus director and says that the man should learn to shut his mouth. The foreign minister is disappointed over the level of the debate.

"I am disappointed. I have in fact attempted to raise the discussion above the level of a personality debate of the type 'Uffe is dumb, and so is Anker.' But Svend Auken continually returns to that type of debate. Therefore, I am disappointed."

This was Foreign Minister Uffe Ellemann-Jensen's comment on an opinion editorial of the Social Democratic policy chairman, Svend Auken, in AKTUELT, where Svend Auken strongly criticized Uffe Ellemann-Jensen.

The foreign minister is characterized as "a youngish circus director who at long last has taken over the ailing family circus with promises of new prosperity, and then things nonetheless do not go as he had hoped."

Svend Auken's opinion editorial is a reply to an opinion editorial which the foreign minister had in AKTUELT on Friday concerning the Social Democrats' trustworthiness and leadership problems, and respecting the criticism which the Social Democrats have directed against the foreign minister's discharge of his office.

Concerning this criticism, Svend Auken writes that he agrees that all too much time is wasted on Uffe Ellemann-Jensen's diverse utterances. "But why can the man not learn to shut his mouth?" And later in the editorial: "Naturally it is not an easy undertaking to be a party leader and foreign minister at the same time."

The foreign minister told BERLINGSKE TIDENDE that it is the Social Democrats who have started this debate.

"The debate started with a series of attacks, both anonymous and with the naming of names, and I am really not one who just ducks his head and gets shot at. And I do not intend to be that in the future. Svend Auken's editorial is not particularly interesting, but it is important for me to say that when they shoot at me, they will receive a reply to their accusations. And when Auken says that I should shut my mouth--yes, well, but I was not elected to the chairmanship of the Liberals for the purpose of shutting my mouth when I am being attacked."

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CSO: 3613/71



6 February 1985

POLITICAL

DENMARK

## BRIEFS

PLO EXPECTED TO OPEN OFFICE--The PLO will be allowed to open an information office in Denmark, but if it should it will have no special status in relation to the Danish authorities. This was said by Foreign Minister Uffe Ellemann-Jensen (Liberal Party) in a response to MP Pelle Voigt (Socialist People's Party). Pelle Voigt asked the minister whether the PLO is welcome to set up a PLO office in Denmark after the organization's national council meeting in Amman in November. Uffe Ellemann-Jensen added that before the PLO national council meeting it was the government's understanding that an office could be established here. But the premise is that the activities of the office will not violate Danish laws, and that the personnel assigned will have work and residence permits in Denmark according to the normal regulations, the reply continued. The Swedish Government has a corresponding attitude toward the PLO office in Stockholm, and so does the Norwegian Government toward the office which is planned for Oslo, according to Uffe Ellemann-Jensen. [Text] [Copenhagen INFORMATION in Danish 29-30 Dec 84 p 18] 9287

CSO: 3613/68

POLITICAL

FEDERAL REPUBLIC OF GERMANY

# IMPORTANT UPCOMING ELECTIONS ASSESSED

## Stable Situation on Rhine

Munich SUEDEDEUTSCHE ZEITUNG in German 5-6 Jan 85 p 8

[Article by Gerd Kroencke datelined Duesseldorf in January: "Scarcely Contested--Opposition Power on the Rhine"]

[Text] Who can imagine a minister-president named Bernhard Worms in North Rhine-Westphalia? His fellow party member, the Bavarian head of government, apparently cannot. In an almost friendly talk with the top man on the Rhine and Ruhr the other day, Franz Josef Strauss made it clear what his hopes are, saying that he would definitely rather see a "one-party government" in the most populous Federal Land than "phenomena such as in Hesse." And since (though Strauss did not say so), as things stand, a one-party government can only be provided by the Social Democrats, who are already in charge, it had to be Johannes Rau whom Strauss had in mind.

While such talk can only be regarded as a friendly action by Johannes Rau, it also testifies to a sense of reality. Five months before the perhaps most important Landtag election of this year, it almost looks as if the contest was only a formality. For some months now, the Social Democrats have been in the lead in all the polls with remarkable consistency--sometimes close to an absolute majority. Compared with the situation in Bonn, the picture is the reverse. In North Rhine-Westphalia, Bernard Worms; CDU has the same standing--near 40 percent--as the SPD enjoys on the Federal plane. And in Duesseldorf too the FDP has had its day. Even if, as appears hardly likely at present, the FDP, turned bourgeois, should return to the Landtag after the interval of one legislative period, the two parties together, which moreover are vying for the same voters, would hardly have a chance to relieve the Rau government. Again the Liberals are in for election jitters.

In the circumstances the FDP would be glad to have the worries of the Greens. No one seriously doubts that the environmentalists will move into the next Landtag, with pollsters going so far as to predict that they will jump the 10-percent hurdle. That would mean as many as 20 seats. If they should decide on rotation, they would need 40 people according to the respective pattern of rotation, and at the moment they have no idea how

such a personnel problem could be solved in numerical terms alone. Communal work is tying up as many as 1,500 Greens, and almost every other active Green has a seat. Four women's vacancies would remain vacant on the Land executive because the previous conference of delegates was unable to come up with any women candidates.

It is not that there are no problems in the Land, but one cannot see any election topics which once more could lastingly confuse the initial positions in the course of the campaign. Responsibility for the key problem of the land, the still double-digit unemployment, can be shifted at will to Bonn (by the Land government) or to Duesseldorf (by the CDU opposition). The indebtedness of the Land--with about 60 billion exactly as large as a whole annual budget--is a serious topic but nothing more, at least not as far as the voters are concerned. Here too responsibility is being shunted back and forth between the two capitals on the Rhine.

The Social Democrats around Johannes Rau have at least discovered one topic no one can take away from them. "We in NRW [North Rhine-Westphalia]" is the name of a campaign designed to create something of a Land patriotism in the 17-million-people Land between Aachen and Minden. They have not caused a lot of motion, however, If anything, the government party, instead of exercising control, has acted as a rather unimaginative executor. Yet a number of regional personages have received nationwide attention.

A former provincial school inspector showed some backbone, first as a minister of science and then as a minister of culture, education and church affairs; with his initiative for a private university (at Herdecke), Hans Schwier also prevailed in the cabinet, and with his proposal to curtail teachers' salaries in favor of new positions he got into a fight with the Education and Science Union, which was close to the SPD at one time. Old trooper Friedhelm Farthmann is still good for a report on the TV news and lately has again expressed a liking for holding office in Duesseldorf, in any kind of important position, instead of pursuing his long-cherished dream to make his mark as a farmer. Klaus Matthiesen, the minister of agriculture from the shore, from the start was as successful as one can be, given the modest funds available. The most liberal German minister of the interior, Herbert Schnoor, has cut a respectable figure in this legislative period, and not even the suspicion of an indiscretion at his place (the Rohde affaire) got him into serious trouble. And Klaus Dieter Leister, Rau's head of the chancellery who came to the region from Bonn, is unobstructive but efficient.

#### Most Powerful Alone

Above all of them, the boss. It is difficult to say just what Rau's politics amount to, but except for Helmut Schmidt no other Social Democrat in the Federal Republic enjoys such popularity. He can even score points among CDU voters. And if Rau actually should score a convincing victory, he can, if he thinks he has what it takes, become the next SPD candidate for chancellor.

On the other side, there is Bernhard Worms. None of the predecessors of the former district administrator from the District of Erft was as weak as he is. He is neither a strategist nor an original thinker, and he certainly is no speaker. With his great talent as an operator, he has pushed the strategist and original thinker Kurt Biedenkopf aside, with Helmut Kohl, who still had an account to settle with former Secretary General Biedenkopf, lending a hand. A defeat for Worms (whatever the election results may be in Berlin and in Saarland) would also be a defeat for Kohl. Worms is vacillating between the position that the CDU and the FDP might make it together and the position that, if need be, he would also tolerate a Rau government in the event that the SPD became the strongest party. Perhaps after the election he will ask himself once more whether Kurt Biedenkopf wants to replace his unequal partner.

As far as the Liberals, the greatest unknown quantity, are concerned, it will again be a question of survival this year. If they break down a couple of months earlier, on the Spree and on the Saar, they probably will go down the drain on the Rhine as well. In any case, it is a party which has no longer anything to do with the old FDP of Burkhard Hirsch, a party whose electorate lies well below the 5-percent mark. The strong man in the background continues to be Graf Lambsdorff, under whose influence the FDP changed into a purely economic party. Despite the change at the top, its program can be reduced to the Moellemann slogan "Clear the Way for the Capable." What remains unpredictable is what effect the people's disgruntlement with Flick will have on the Liberals in North Rhine-Westphalia, for it is not only Graf Lambsdorff who managed to get close to the Duesseldorf concern; Moellemann, Gattermann, Cronenberg and even the new man at the top, Achim Rohde, had good relations with Flick or Flick's affiliates.

The fact that the FDP has veered toward the right, simplifies the position of Johannes Rau's election campaign. Even theoretically it no longer is a possible partner. And the Greens have been making things easier for him as well. They are not yet a united party. The gulf between the realpolitik people and the fundamentalists has not been bridged by any means. Apparently, as the spokesman of their Land executive, Michael Happe, puts it, there exists "a dividing line between reason and verbal radicalism." Its prospects, and perhaps also its ambitions, of participating in the government (if only by way of toleration) are so small that at their previous Land conference of delegates they kept raising their demands directed to the Social Democrats.

Since that time the question concerning a Red-Green alliance has lost its topicality. Moreover, the failure of his comrades in Hesse definitely has improved Johannes Rau's position. "The situation has clarified favorably," said Rau after Hesse and after the FDP party congress. Also because he thinks he actually will be able to go it alone, he finds it easier to push the Red-Green question aside. Even such a one as urban builder Christoph Zoepel, who as a leftist had figured to play the moderator's role, fell silent after the Wiesbaden failure. Previously he had still toyed with the idea of putting the crucial question to the

Greens. "What are you doing," he planned to ask them if the SPD did not do well enough alone--"what are you doing to prevent a conservative majority?" Later Zeepel pondered whether it was not better to aim at new elections if the Greens turned out to be incapable of tolerating an SPD government.

All this, Johannes Rau has swept off the table. The constitutional peculiarity in North Rhine-Westphalia permits a minority government without requiring such chin-ups as in Hesse.

#### Berlin Minority Government Possible

Munich SUEDEUTSCHE ZEITUNG in German 5-6 Jan 85 p 8

[Article by Volker Skierka datelined Berlin in January: "Listless Old Campaigners From the River Region"]

[Text] There is only a little more than 2 months to go til 10 March, the day of the Berlin elections. For the first time in postwar history a conservative government will present itself to the voters. In turn, the Social Democrats, who ruled until 1981, for the first time are the challengers, conducting an unaccustomed election campaign as the opposition. So far, however, the election campaign has not testified by any means to a tough struggle on the part of one side to regain power or on the part of the other side to retain power. Rather, all parties--the CDU and SPD, the FDP and the Alternative List (AL)--make it appear as if they considered elections at this time to be superfluous. Consequently, the election campaign is listless, awkward, slow--one might say, paralyzed. There are few indications that this will yet change decisively. The impression prevails that one is glad that after constant trouble the city has calmed down at long last, and is afraid of only one thing--that the elections might cause new insecurity for the Berliners and instability for the parties.

#### FDP Going Downhill

Governing Mayor Eberhard Diepgen, who replaced Richard von Weizsaecker, elected Federal president, only a year ago, according to persistent opinion poll forecasts, not only will have to figure on losing 2 or 3 percent of the vote compared with the 48 percent of the election 4 years ago, but also on losing the FDP as a coalition partner (which it became only halfway into the legislative period). At the time the Liberals just managed to get into the parliament with 5.6 percent, but now they are expected to obtain only 3 or 4 percent. The SPD, which last time, thanks to Hans-Jochen Vogel, still gained 38.3 percent, now, with Hans Apel as its top candidate, is under 36 percent. The AL appears to be marching from 7.2 to 14 percent--a figure which causes it more worry than pleasure. In Berlin too the rapid success of the Alternatives not only created personnel difficulties in putting up candidates, but this sudden rise in the voters' trust is driving them into a crucial test in the debate about whether or not to participate in the government.



Despite the fact that Apel keeps emphasizing the fact that there will be "no governing mayor elected with the votes of the AL," he has had to fight time and again against the fear spread by the CDU of an SPD-AL alliance in the event of a mathematical majority of the two opposition parties. In this way the CDU hopes to be able to lure further Social Democratic voters over to its side. In November the AL gave Apel some breathing space on this point by deciding with a bare majority against cooperating with the SPD in the event of a joint majority. Since that time Apel has been able to entertain the hope that many of the younger voters who actually tend toward the AL will ponder this step once more, particularly since Apel is offering them a team which apparently will take care of their concerns just as nicely. But the "realpolitik people" in the AL have now realized this too. They do not want to put up with the accidental result of November. Late in January the subject of an "offer of cooperation" is again to be placed on the agenda of a members assembly.

There is every indication, however, that in the event the FDP actually cannot return to the parliament, there will be a Diepgen minority government tolerated by the Social Democrats. It is such speculations, not controversies on issues, which mark the election campaign in Berlin. And ever since Vogel's departure the SPD apparently has been increasingly at the mercy of those bureaucrats who have led the party purposefully into decline. This layer of fat is preventing the meshing of the Apel team and the membership at large, which, diverted by intraparty jealousies and negative toward its candidate, is wasting its strength. It is appalling how the rise of younger qualified cadres has been torpedoed or prevented. The last of the team which has rushed with Vogel to Berlin, Reinhard Ueberhorst, has been sent away in a huff. Quickly recognizing the abilities of the brushed-aside former senator for the environment, Oskar Lafontaine has now made him a candidate for minister of economics in Saarland.

#### Confidence Is Half the Victory.

Thus the CDU is having an easy time. It displays optimism. That is enough. The fact that the urban renewal which is becoming visible everywhere is also a Social Democratic heritage, that the slight economic upswing in Berlin is also being purchased with enormous subsidies, that the Berlin, CDU Bundestag deputies are co-responsible for the restrictions by the Federal government in the field of pension and social policy in Bonn which are being criticized by Diepgen in Berlin, that the peaceful solution of the squatter problem was conceived by Hans-Jochen Vogel and retained only as a result of pressure by the leader of the FDP in the parliament, Walter Rasch--all this and a number of other things, the SPD is unable to bring to the fore.

Eberhard Diepgen is conducting clever politics he has learned from Weizsaecker. Calm and relaxed, as if above things, he primarily makes a good solid impression. A press uncritical of the CDU and well disposed toward it sees to it that not too many contradictions become apparent and that above all Diepgen's challenger, Apel, who definitely can present things forcefully, is largely ignored by the media. His carcass is already being divided up as it is. In his own party, the latest personnel rumors are already circulating about the post-Apel period.

POLITICAL

FINLAND

## CHANGING OF SWEDISH NEUTRALITY, CONSEQUENCES FOR FINLAND

Stockholm INTERNATIONELLA STUDIER in Swedish, No 4, 84 pp 6-13

[Article by Steve Lindberg, political science researcher at Turku Academy and editor of FINSK TIDSKRIFT: "Change in Swedish Neutrality--and Consequences for Finland"]

[Text] The development in the Nordic countries as well as in the surrounding area throws doubt on "the Nordic stability."<sup>1</sup> The restraint of the superpowers in the Nordic countries and the traditional security policy solutions can no longer be taken for granted. For Sweden and Finland this means that neutrality as a means of foreign policy may lose its credibility.

In INTERNATIONELLA STUDIER<sup>2</sup> Bertel Heurlin challenges the Swedish neutrality by contrasting, in brief terms, the external and internal changes with the unchanging pillars of neutrality; "freedom from alliances in peacetime for the purpose of armed neutrality in war." The provocation seems apt when this armed neutrality is being tested even in peacetime, at the same time as other external features of development contribute to the aggravation of the dilemma of Swedish neutrality.

Heurlin also touches on the security policy relationship of dependence between Finland and Sweden and rhetorically asks what will happen to Finland if Sweden resolves its dilemma by joining NATO.

Heurlin's brief evaluation appears reasonable. On the basis of its security interests, the Soviet Union would then demand consultations with Finland according to the VSB [Friendship, Cooperation and Mutual Assistance Pact]. And these would probably result in real, although perhaps not formal, defense cooperation within the framework of the Warsaw Pact.

It is to be assumed that Finland is generally sensitive to shifts in Swedish neutrality, and in particular to the Soviet opinion of this neutrality.

### Submarines the Tip of the Iceberg

The set of submarine problems is only the "tip of the iceberg." Even if all submarines near Swedish skerries did not turn out to be submarines or even Soviet ones, as sceptics and critics have intimated, the recurring violations of territorial waters near the sanctuary of the Swedish Navy should be viewed

as a part of a larger process. Attention was officially drawn toward military-operational purposes for the incursions by the report of the Antisubmarine Commission. However, the commission emphasizes that:

"Ultimately, it is obviously not possible to disconnect military operations of this character by a state from its security policy ambitions."<sup>3</sup>

Recently, there have also been unofficial discussions in Sweden concerning political motives for these violations.<sup>4</sup>

#### Sweden a Strategic Island

Which concrete security policy changes has Sweden come up against since World War II, when it chose to develop its armed neutrality? At that time the Swedish territory could be compared to England in terms of military geography. Sweden was a strategic island. The enemy could in fact only come by water or by air. It was anticipated that with a strong air force it would be possible to counter an invasion just as successfully as the British did in the Battle of Britain during World War II.<sup>5</sup> In comparison with its neighbors, Sweden also had such extensive ground and naval forces that Sweden appeared to be a major regional power. Sweden had its security border south of the Baltic.

After the war, Sweden's two traditional "threat directions"—the Russian threats across the Baltic and across the northern land border—were activated.

The Soviet Navy's Baltic fleet was stationed in Kronstadt near Leningrad as well as in Baltiysk, Paldiski, Klaipeda and Riga.<sup>6</sup> Fleet headquarters were moved from Leningrad to Baltiysk near the Polish border in the 1950's.<sup>7</sup> The northern threat picture became quasi-active through Finland's VSB pact with the Soviet Union in 1948.<sup>8</sup>

This insular Sweden lasted through the 1950's and 1960's. A major invasion of Sweden or total nuclear war were the threat pictures. A major invasion seemed controllable, partly because of the Soviet Union's weak amphibious capability, partly because of the strong Swedish Air Force which dominated the air out over the Baltic. The threat of total nuclear war, to the extent it was possible to avert this threat, was met with civilian defense efforts.

The greatest security policy change in connection with the Nordic countries has been the increased global-strategic importance of the northern ocean areas for the superpowers and the expansion by the Soviet Union of military bases in connection with the Kola peninsula in order to safeguard its second-strike capacity with nuclear weapons.

The increased Soviet defense requirement in the north during the 1970's, coupled with an increased conventional defense capability that was extended to the open sea in line with Iceland,<sup>9</sup> meant that NATO's opportunities for defending Norway decreased. The decision to store weapons in advance, along with the reinforcement of both air and ground defense in Norway<sup>10</sup> and the COB [Collocated Operational Bases] agreement, have strengthened NATO's protection

of Norway, although on the part of Norway this may still seem somewhat debatable.<sup>11</sup>

For the Nordic neutrals this led to a greater need for preventing the superpowers from using the neutral territories as corridors. Finland has taken action on this by reinforcing its ground defense, air defense and air force in the north.<sup>12</sup> Sweden met the situation with a redistribution and an increase in the efficiency of the existing resources,<sup>13</sup> partly due to political considerations and later due to economic necessity.

#### Swedish Rock in a Restless Sea

In itself the altered situation in the north in the early 1970's did not result in the same problems for Sweden as it did for Norway and Finland, where a lack of reaction could pull the rug from under the security policy solutions of the countries.<sup>14</sup> However, higher demands were imposed on the Swedish defense in the north, so that the calculation of having "an armed no-man's-land" would actually be maintained.

From a Swedish perspective stability in the north was restored by the armament of the neighboring countries. Swedish decision-makers emphasized time and again, however, that the superpowers in the north should guard their "restraint."<sup>15</sup> Nordic stability must be retained, but Sweden's role was viewed almost as an immovable rock in a restless but not agitated sea.

The foundation does not seem to have been quite as stable as estimated, however. Three reasons can be stated, two of which overturn the concept of an insular Sweden, and one of which questions the calculation of a no-man's-land.

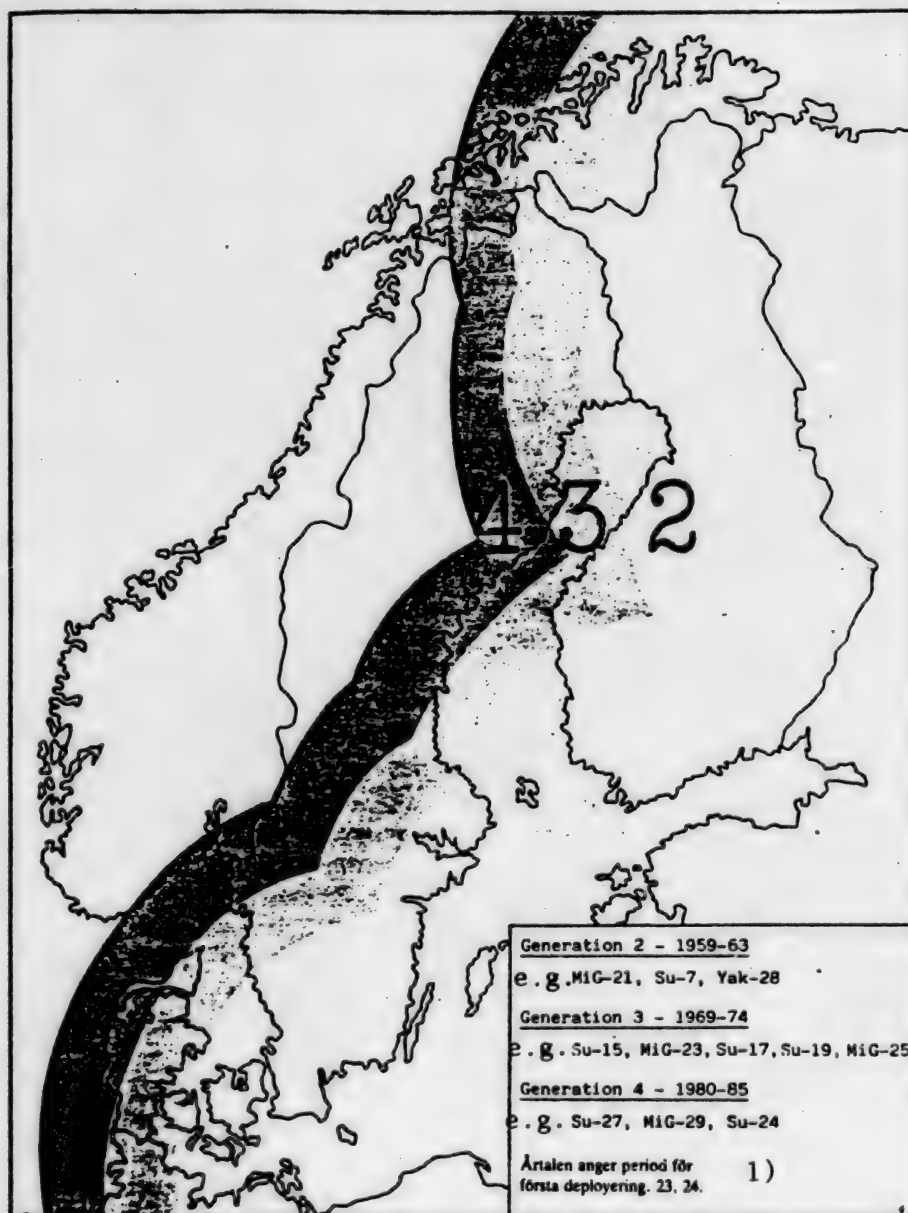
First, during the 1970's the Soviet Union expanded its previously relatively weak amphibious capability. Although the expansion was partly connected with the global expansion of the Soviet Navy,<sup>16</sup> the Baltic Fleet also acquired an amphibious capability which could be aimed against Sweden in an attempt to break out through the Danish straits or in an attack against Norway through Sweden. Exercises of this amphibious capability also showed that the Soviet Union attached increasingly greater importance to this potential.<sup>17</sup>

#### Problem for Swedish Air Defense

Second, the increased range for fighter aircraft meant that the Soviet fighter umbrella could in effect be conceived to operate over an increasingly greater part of the Swedish territory.<sup>18</sup> In theory the Soviet Union could acquire secure air superiority during landing operations<sup>19</sup> on Swedish territory by deploying less than 10 percent of its fighter aircraft,<sup>20</sup> something that could eliminate the Swedish air defense.

Third, the U. S. cruise missiles, launchable from or above the Atlantic and the North Sea,<sup>21</sup> mean that the Soviet Union now has a purely defensive interest in Swedish territory in general. If Sweden is not capable of or does not wish to shoot down cruise missiles over Sweden, the fourth generation of





The fourth generation of postwar aircraft will enable the Soviet Union to repel cruise missiles over most of the Swedish territory beginning in the 1990's.

Key: 1. The dates indicate the period of first deployment. 23, 24



Soviet postwar aircraft, likely to be operational in the early 1990's, give the Soviet Union itself the opportunity of repulsing the missiles over most of the Swedish territory. The map illustrates the reasoning.<sup>22</sup>

"Undoubtedly, the development also leads to increased risks in wartime of violations of Swedish neutral airspace by aircraft from both superpowers. We should have opportunities for detecting and averting or combating overflying aircraft and cruise missiles."<sup>25</sup>

The map and quotation from the 1978 Defense Committee show that the Swedes have been aware of this set of problems. The reduced opportunities of the Air Force to defend Swedish airspace appear in the committee's final report, where the role of the Air Force is underscored "within exposed coastal and border areas, where the air defense in general has difficulty achieving a good effect--for example Scania, Norrbotten and Gotland...".<sup>26</sup>

The capacity may not be sufficient to avert cruise missiles over the entire country,<sup>27</sup> since the Air Force, the most effective weapon against these low-flying objects, is not able to offer air supremacy over Swedish territory in every situation. Over an increasingly greater portion of Sweden the Air Force could be faced with a difficult choice: repelling cruise missiles in order to preserve neutrality or repelling the Soviet pursuit of cruise missiles in order to preserve the neutrality toward the West.

This schism is potentially reinforced by Soviet cruise missiles, operational in 1985, according to some reports. The tasks of the Air Force will thus become tremendously resource-demanding, since it will also have to protect the central portions of Sweden. It is therefore a reasonable conclusion that the Swedish air defense, in a situation where cruise missiles are being launched, is busy with other matters and does not have time to shoot down missiles.<sup>28</sup>

Danish political scientist Erling Bjøl asks whether in the future Sweden can afford to maintain its traditional armed neutrality.<sup>29</sup> Swedish defenses have unquestionably been cut back during the 1970's. Although the defense capability has not shifted in quality, as Norwegian security expert Johan Jorgen Holst seems to believe,<sup>30</sup> no noticeable reinforcement has taken place. While the Finnish defense budget grew by an average of 4.5 percent annually and the Norwegian one by 2.7 percent, the Swedish defense budget grew on the average only 0.3 percent from 1971 to 1981. This zero growth was even replaced by an 0.7-percent decrease during 1976-81, when Finland's defense budget grew an average of 2.3 percent and Norway's 2.6 percent annually.

#### Soviet Military Signals to Sweden

The Swedish defense therefore seems to have undergone a relative weakening, while the Soviet capability for projecting its strength in the vicinity of Sweden continues to increase. What is new is also that the Soviet Union is using this military strength in order, perhaps, to send a message to Sweden. This takes place when the Swedish neutrality to some extent seems to have abandoned the adjective "armed," at least in extensive territorial defense,

something which Stephen L. Canby has demonstrated in an article that by now has almost become a classic.<sup>32</sup>

If the submarine violations are real and Soviet, it can be assumed that the Soviets are consciously fanning the instability of Swedish neutrality. The continuity of the submarine incursions, as well as the relatively arrogant manner in which the Soviets have chosen to meet the Swedish protests, as for example by the statement that "there are the required weapons and ammunition" on board Soviet naval vessels<sup>33</sup> in connection with the strange radioactivity of Submarine 137, and later the Soviet sarcasm over fruitless Swedish submarine chasing, indicates that these are not merely attempts at secret military operational activity.

To approach the Swedish coast at full speed with naval ships and landing vessels, at the same time as radar communications are being jammed, as happened during the Warsaw Pact's Soyuz 83 naval exercise<sup>34</sup>, shows that military force as a direct instrument of political influence has entered the Nordic countries to an increasing degree.

In connection with the growth of the Soviet military strength, the use of this strength as a direct means of power in peacetime has also increased. It is being emphasized to a greater extent in Soviet security policy doctrine that the military strength of the socialist camp has prevented war between the blocs and forced the imperialist camp to accept peaceful coexistence between the two systems. The struggle for peace elsewhere in the world has also been reinforced in the same manner.<sup>35</sup>

The role of military strength as a means of political power has developed in particular in the Third World. During the 1960's and 1970's, for example, the Soviet military doctrine exercised a certain doctrinary caution regarding local wars because of the risk of confrontation between the blocs, whereas now it maintains that Soviet military strength is preventing similar regional conflicts from escalating.<sup>36</sup>

Western observers also believe that the Soviet's increasingly greater experience of "crisis management" has made their attempts at exercising influence more and more sophisticated. The same source also maintains that the Soviet Union to an increasing extent has been prepared to use naval diplomacy,<sup>37</sup> in other words gun boat diplomacy.

"Force is used in an exemplary demonstrative manner, in discrete and controlled increments."<sup>38</sup>

The assertion that through a military buildup the Soviet leadership intends to create new relationships of strength, which other nations must take into account and which can be turned into territorial gains or advantages confirmed by means of politics,<sup>39</sup> now apply to Sweden as well.

## The Soviet Attitude Toward Neutrality

The following question is obvious: What, then, does the Soviet Union wish to achieve by repeatedly demonstrating its own strength and the relative lack of capability of Swedish defenses?

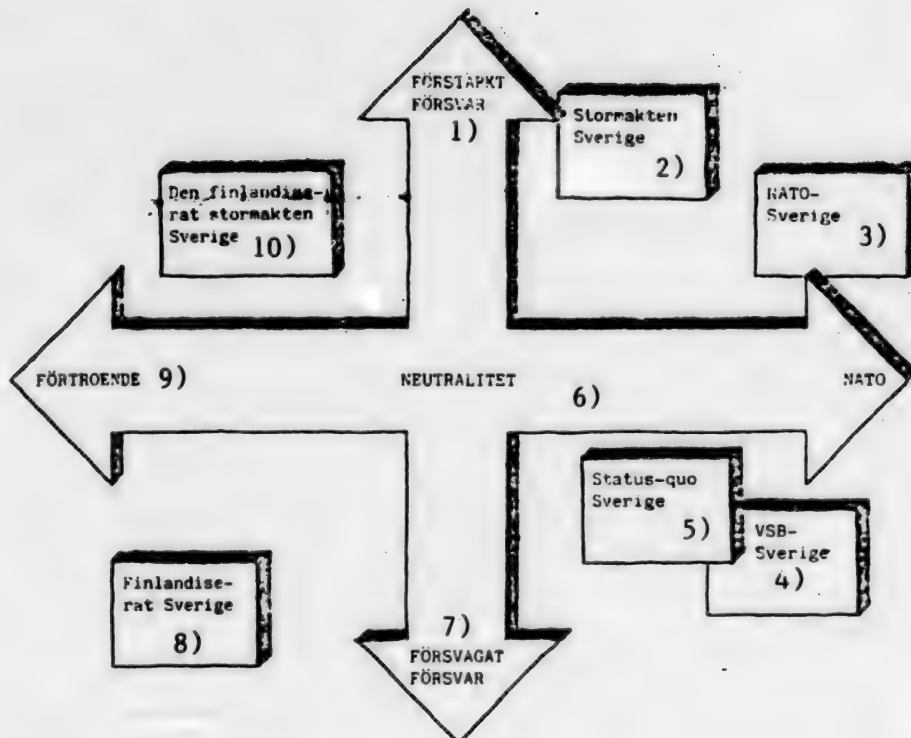
One hint may be provided by the Soviet attitude toward neutrality in general. Russian is a language in which the words can have a different meaning than presumed in Western practice.<sup>40</sup> This applies to "neutralityet" as well, which can best be translated as absolute or perfect neutrality. A country is regarded as constantly neutral, "pastayannyi neutralityet," that is to say in both peace and war, without for that reason possessing perfect neutrality, i.e. be neutral in the class struggle.<sup>41</sup>

Even perfect neutrality, and the Swedish neutrality is likely to be anything but perfect in Soviet eyes,<sup>42</sup> provided that Swedish neutrality is still accepted, may be non-neutral in its effects. Neutrality may benefit one side but have disadvantages for another.

The Soviets have traditionally exploited the neutrality efforts of others when the effects have been positive for themselves. But the Soviet Union believes that neutrality is not an intellectually tenable concept, and the fact that one nation's neutrality might have negative effects for another country is believed to verify this view. The Soviet Union also has never been enthusiastic about neutrality as such, but only about the advantages it might bring. Neutrality at its best might prevent an opponent from utilizing a certain territory; it cannot incorporate this territory into the sphere of power of the Soviet Union.<sup>43</sup>

Three hypotheses concerning the Soviet intentions behind the neutrality violations might be put forward on the basis of the development of military strength described above and the Soviet view of neutrality.

- 1) The Soviet Union is striving to reestablish Swedish armed neutrality, and Sweden as a major regional power.
- 2) The Soviet Union is trying to get Sweden to realize its exposed position and the impossibility of trying to compete with the regional forces of the superpowers. It is trying to get Sweden to adopt a more pro-Eastern neutrality policy. A Finlandized Sweden is being sought, to some extent.
- 3) The Soviet Union wishes to reestablish Swedish armed neutrality in the sense that Sweden should manifest both the willingness and the capability of defending itself against all neutrality violations from all directions and with various means, while simultaneously indicating Sweden's immediate vicinity to the Soviet Union and hence getting Sweden to draw certain conclusions about its relations with the East. Paradoxically, they want Sweden to be a Finlandized major power.



How should Sweden's security policy dilemma be resolved? From a Finnish perspective the alternative of "Sweden as a Finlandized major power" would probably be the best alternative, the author of the article maintains.

- Key:
- |                            |   |
|----------------------------|---|
| 1. Strengthened defense    | 7. Weakened defense                     |
| 2. Sweden as a major power | 8. Finlandized Sweden                   |
| 3. NATO-Sweden             | 9. Confidence                           |
| 4. VSB-pact Sweden         | 10. Sweden as a Finlandized major power |
| 5. Status quo-Sweden       |   |
| 6. Neutrality              |   |

Hypothesis 1, a defensive interpretation, presumes that Sweden as a neutral buffer together with Finland secures portions of the Soviet western border, at the same time as an armed Swedish neutrality strengthens the Baltic as a Soviet inland sea. This assumes that Sweden will defend its neutrality with an efficient defense, which according to Soviet opinion should be strengthened. The other side should not be allowed to use Swedish territory.

Hypothesis 2, an offensive interpretation, presumes that Sweden both in word and action has indicated the direction of the Swedish neutrality, and that the Soviet Union is now trying with military means to get Sweden to realize its geographical position, as well as the fact that a small nation, the neighbor of a superpower, cannot oppose the security interests of the superpower, whether they be offensive or defensive.

Hypothesis 3, a defensive-offensive interpretation, means that the Soviet Union on the one hand wants guarantees that Sweden both will and can protect its neutrality in all situations, and at the same time wishes that Sweden would realize its geostrategic position and conduct a more pro-Eastern policy. In that case the restraint of the Palme administration after provocative neutrality violations, after the JAS [strike-attack-reconnaissance aircraft] decision and the concentration on antisubmarine defense, seems to have led to the desired effect, if that was the effect desired.

#### Soviet Opportunism

Altogether, the development of the Swedish neutrality and the reaction to Submarine 137 and subsequent incidents may have been incentives for an expanded use of military pressure for a political purpose against Sweden. The Soviet foreign policy is opportunistic; in the Middle East, for example, the other region not tied to a bloc in the vicinity of the Soviet Union, one has followed a two-steps-forward-one-step-backward tactic.<sup>44</sup>

This opportunism also haunts the Soviet military doctrine, which reflects changes in behavior that have already taken place and to some extent rationalizes them after the fact.<sup>45</sup>

The expansion of military influence into the heart of the Nordic bipolar gray zone--Sweden--must be viewed in a wider context. Heightened bipolar tension, the increased importance of the Nordic countries for the superpowers, greater Soviet capability of projecting its strength, a relatively seen weakened Swedish armed neutrality, the cruise missiles, which provide the Soviets with an expanded, purely defensive need for defense, troublesome statements by both politicians and military persons, all create a pattern. Together, they may, from a Soviet point of view, justify both distrust of Swedish neutrality and the attempts to steer it in one of the abovementioned directions.

The Swedish armed neutrality of the 1980's can be compared to the Finnish armed neutrality of the 1930's. Historical comparisons are always dangerous. Yet, there are interesting parallels.



The Soviet Union experiences a need for defense in connection with a neutral neighboring nation. The defenses of the neutral neighbor may appear unsatisfactory. The Soviet Union fears that in a crisis the neighbor may take an ally. Certain elements of the neutral neighbor's politics are viewed as not neutral by the Soviets.

There is a clear difference in degree between the objects of comparison, to the advantage of the present situation. However, the submarine violations are serious as symptoms of something that is wrong between the Soviet Union and Sweden; they are serious for the direction or continuation of the neutrality and serious as the first major security policy test to which Sweden has been exposed since World War II.

#### Alternatives for Sweden

What alternatives does Sweden have in order to resolve this dilemma? Eight different alternatives can be derived from the dimensions of neutrality versus alliance, confidence or lack of confidence toward the Soviet Union, and a reinforced or weakened defense.

Participation in an alliance with strengthened or weakened defense and with retained confidence in the Soviet Union, in practice a Warsaw Pact Sweden or a Sweden with a VSB pact with the Soviet Union, are unreasonable alternatives and are deleted. There are reasons to stress that a weakened defense here need not mean a drastic change in the status quo, while a strengthened defense presumes greater efforts.

The remaining alternatives can be illustrated with a diagram (see the box).

The axis of neutrality goes from a "confidence" variant to the absolute cessation of neutrality, with Sweden in NATO.

A NATO Sweden, probably with a reservation clause for its membership similar to what Denmark and Norway have, was touched upon in the introduction. This would, first, imply a radical turnaround in Swedish security policy and, second, scarcely mean improved Swedish security; third, it would perhaps not be in NATO's interest; and, fourth, it would hardly relieve Sweden of the burden of strengthening Swedish defense.

What Sweden would gain in terms of dependence on the East, it would lose in dependence on the West.

A natural alternative in Nordic connections would be an agreement between Sweden and NATO, similar to the one Finland has with the Soviet Union. A VSB Sweden, loosely tied to NATO, with the opportunity for receiving NATO help if the national resources run short during an attack on the country, would increase the Swedish feeling of security, if the threat direction is as simply constructed as it appears in Swedish security policy.

A VSB Sweden would formalize its Western orientation; the defense of northern and southern Sweden would be facilitated when the national resources fail.

Because the need for countering a major invasion would be eliminated, it would mean that Sweden, by restructuring existing defense resources, can rebuild an extensive peacetime defense for the neutrality. The alternative could also to some extent preserve the appearance of Swedish neutrality until a major attack against Sweden were a fact.

The question is whether the Soviet Union would accept this variant on neutrality. The Soviet Union has consistently been very sparing with officially recognizing Finland's neutrality since Khrushchev, and "Finland's ambition for neutrality" has been the pared-down description in Finnish-Soviet communiques since the beginning of the 1970's.<sup>46</sup>

And how would NATO react? Is NATO willing to shoulder the burden of defending Sweden when the Swedish defenses have collapsed? If not, a VSB pact with NATO is of little use to Swedish security, at the same time as it curtails Swedish autonomy in certain situations.

The alternative of a status quo-Sweden means that because of internal political difficulties for accepting geopolitical realities things continue as before. Sweden makes limited efforts for military strength based on political and economic considerations and limited efforts to win international confidence.<sup>47</sup>

That alternative is appealing because of the general mechanisms of inertia in a nation's foreign policy.<sup>48</sup> But it does not solve the problems of Sweden's ties to the Soviet Union. If the Soviet Union is dissatisfied with traditional Swedish neutrality, there is a risk that the violations of neutrality will be escalated if Sweden does not change. Relations between Sweden and the Soviet Union would then deteriorate even more.

A return to Sweden as a major regional power would mean a major effort in armed neutrality, with the capacity of defending against all kinds of threats from various threat directions by means of a territorial defense that is both extensive and intensive.

Economically, the alternative is a great burden, and the model of Sweden as the social welfare state could scarcely be maintained in that case, something which makes such rearmament difficult to implement politically.

It is also an open question whether this alternative is feasible in practice. Could a major defense effort in fact bridge the gap between real and desired defense capability with the same threat picture developments? Could Sweden really keep up with the weapons development in order to maintain its armed neutrality, without technologically committing itself to the United States and thus again casting suspicion on its neutrality toward the East?

A Finlandized Sweden means a major effort by the Swedish foreign policy elite in building confidence between the Soviet Union and Sweden, but implies acceptance that Sweden in certain threat situations cannot maintain armed neutrality. An attempt is made to maintain an intensive defense, according to the Finnish model.

Marketing such a solution in the climate which prevails in Sweden, judging from the press debate, would be a difficult task. Prime Minister Palme has been exposed to serious criticism for his "low profile" in connection with the submarine problems. It took two wars, more than 20 years and the entire persuasiveness of Presidents Paasikivi and Kekkonen in order to market such a solution in Finland.

The last alternative here is Sweden as a Finlandized major power, a development alternative which can also be perceived in the present development. Sweden would try to restore correct relations with the Soviet Union, in order in the long run to build up a special confidence. Opportunities would be reinforced for extensive protection of its neutrality in peace and war, and efforts would be made for intensive territorial defense in war, through, among other things, concentration on multifunctional fighter aircraft such as the JAS and a heavily expanded missile defense in Sweden's exposed border regions.

This type of neutrality requires efforts in both defense and confidence, but is not as resource-demanding as making Sweden a major power, or as policy-altering as a Finlandized Sweden. In any event, the present government now seems prepared to make such a significant emphasis on defense that the military portion of this alternative would gradually become realizable.

Establishing a special trustful relationship with the Soviet Union seems harder to realize. The Swedes must not only convince the Russians of their honest intentions. Domestic opinion must also be convinced of the desirability of a trustful relationship with the Soviet Union. In the present frame of mind, this could take a long time.

Of the last three and perhaps most likely alternatives, none is entirely without problems for Sweden. Here there is reason to emphasize that neutrality, although traditional, is primarily instrumental, a tool of a nation's security policy.

Neutrality has hardly lost its instrumental quality for Sweden; it just needs to be adjusted according to altered external conditions. An alternative which could benefit the Soviet Union need not automatically harm either the Swedish security or, as the case may be, Swedish neutrality. In today's situation it seems difficult to determine which development alternative of those that are probable is the most probable; only the development can indicate that.

#### Finnish Change of Course

According to at least one observer in Finland, the Finnish foreign policy has changed course a few points toward the East since President Koivisto came to power.<sup>49</sup> A hot debate has also raged concerning whether the present Finnish foreign policy decision-makers have ceased to regard the Finnish neutrality variant as instrumental as it appeared to be under President Kekkonen.<sup>50</sup> My firm opinion is that a moderation of the Finnish neutrality has occurred both in word and action. The Nordic orientation which Erling Bjøl expected from

Finland under Koivisto has been conspicuously absent;<sup>51</sup> on the contrary, statements by Koivisto about the Swedish neutrality problems have been very harshly received by leading Swedish papers.<sup>52)</sup>

The internationally tense situation, as well as the Soviet Union's increasingly marked concern about the development in connection with the Nordic countries, has undoubtedly moderated the Finnish neutrality policy. In addition to good neighborly relations with the Soviet Union, the instruments of neutrality and Nordicism have not been completely dulled.

Swedish neutrality is extremely important for Finland. If NATO-Sweden were to become a reality, Finland's security policy situation would change radically.

The Soviet Union would consider that this constituted a threat and insist on consultations according to the second paragraph of the VSB pact. The risk of an armed attack "from Germany or another state allied with it" would then be judged to be great, and Finland's "disposable forces" deemed too small "to defend the integrity of their territory" and fulfill a buffer function, according to the Soviet Union.

This would be likely to lead to Soviet demands that Finland should make preparations for receiving "help called for by need" in an attack.<sup>53</sup> In their mildest form the preparations would include advance stockpiling of military materiel for Soviet troops, COB-like agreements and the establishment of radar and other stations for electronic surveillance, connected directly to the Soviet early warning system.

Although a direct integration into the Warsaw Pact might be avoided, similar obligations would have grave consequences for Finland's opportunities to conduct an independent foreign policy. All the neutrality efforts would be nothing but a memory. It should be noted that this is a mild variant, and that the Soviet Union is likely to require actual bases and troop deployments in Finland, similar to the central European model.

The other potential but unlikely alternatives for Swedish security policy would not have equally concrete results for Finland. Sweden as a major power, with a heavily fortified neutrality, would to some extent mean a return to the situation at the beginning of the 1960's. In today's or tomorrow's situation, however, a "militaristic" Sweden, no matter how fiercely neutral in appearance, in the long run would still damage the safety valve which Nordic cooperation is considered to be. The least change in the foreign and trade policies of the Nordic neighbors, not to mention defense policy, would have the result that Sweden, strained to the bursting point both economically, technologically and socially, would raise its spines against the outside.

A Finlandized Sweden might seem ideal for Finland's good neighborly relations with both the Soviet Union and Sweden. However, in the long run it could curtail both Finland's efforts for neutrality and the good relations with the West. Sweden would take over Finland's role as gateway between "East" and "West," and Finland would also end up deeper in the arms of "mother Russia."



Of the more probable alternatives, a VSB Sweden is perhaps the most dubious for Finland. On the one hand, Sweden gets closer to NATO, something which the Soviet Union scarcely views as compatible with neutrality. On the other hand, the Soviet Union might think that this "merely" formalizes the real situation in the Nordic countries.

The shaping of the agreement will then be decisive. If this presumes any kind of peacetime defense work between Sweden and NATO, the Soviet Union would perceive it to be almost as threatening as a "real" NATO-Sweden. The risk that NATO troops will operate from Sweden, coupled with the military need to plan for the "worst" alternatives, makes this alternative still negative for the present shaping of Finland's security policy.

Status quo-Sweden, a continuation of the present situation, in turn is also destabilizing for Finland, since it runs the risk of causing further deterioration of relations between Sweden and the Soviet Union. In that case Finland must choose between its good neighborly relations. The choice seems obvious.

Sweden as a Finlandized major power is perhaps the best alternative, from a Finnish point of view. Since relations between Sweden and the Soviet Union will gradually improve, while Sweden, without excessively burdening its social structure, maintains a traditional armed neutrality in order to counter threat situations, Finland is not faced with a precarious choice.

The reevaluation of the grounding of Submarine 137, which at the time of this writing seems to be forming in certain parts of the Swedish public opinion,<sup>54</sup> may be an attempt to take the official Soviet view into account, a step which leads in the right direction regarding rebuilding and perhaps even reinforcing the confidence between the neighbors Sweden and the Soviet Union.

But Sweden may find it difficult to try to accept to a greater extent than before both the views of the Soviet Union and its own geopolitical situation. This alternative for a future Swedish security policy orientation undoubtedly also demands the most of Swedish diplomacy. On the assumption that the signals that Sweden wishes to take this course are reinforced, while simultaneously the Soviet Union is able to refrain from further military pressure, Finland could perhaps function as an intermediary link between its two neighbors. This need not mean that Finland will come up with its own mediation proposals, but that Finland will put its good contacts on various levels, in particular in the foreign ministries, at the disposal of the partners in order potentially to bridge the gap in information and understanding which now evidently exists between Sweden and the Soviet Union.<sup>55</sup>

In any event, it is clear that the existing situation is not satisfactory either to Sweden and Swedish neutrality, to Finland and Finnish neutrality or even to the Soviet Union. "Something must be done," in order to quote an alleged favorite expression of the current president of Finland.



## FOOTNOTES

1. Nordic stability, defined as preserved low tension, comprising partly restraint from the superpowers, partly unchanged security policy solutions. The definition is a synthesis of the main components of Nordic stability, as it is understood by the foreign policy decision-makers in the Nordic countries. For additional discussions about the Nordic pattern of security policy, see for example Noren, Erik, "The Nordic balance," Uppsala University, Department of Peace and Conflict Research, Report No 17, March 1982.
2. Heurlin, Bertel, "Submarine violations, Swedish neutrality and NATO," *INTERNATIONELLA STUDIER*, No 2, 1984, pp 7-10.
3. "Meeting the submarine threat," *SOU* 1988:13, see also *SVENSKA DAGBLADET*, 30 April 1983, "The Submarine Report."
4. See for example Agrell, Wilhelm, "Soviet Baltic Strategy and the Swedish Submarine Crisis," *COOPERATION AND CONFLICT*, Vol XVIII, No 4, 1983, pp 269-281, p 271.
5. Nyberg, Rene, "Pohjolan turvallisuus ja Suomi" [Nordic Security and Finland], *Kirjayhtymä* 1983, p 59. See also Doerfer, Ingemar, "System 37 Viggen," *Universitetsforlaget*, Oslo 1973, pp 48-49.
6. "The Military Balance 1983-1984," *IISS*, London 1983, p 18, lists these ports for the Soviet Baltic Fleet.
7. For example Nyberg, p 32, indicates that this probably took place in 1954.
8. The quasi-activity involves the question of what happens if the VSB pact is activated during a crisis, and if the Soviet Union, contrary to Finnish interpretations of the VSB pact, demands the use of Finnish territory for offensive purposes.
9. For example, the exercise pattern of the North Sea Fleet up to the mid-1970's showed a moved-up naval security zone. See for example Moore, John E., "The Soviet Navy Today," *MacDonald and Jane's*, London 1975, pp 33-35.
10. Among other things, the earmarking of a U. S. Marine Corps brigade for Norway means that the Norwegian air defense has practically doubled through the brigade's own air defense. See for example Barth, Magne, (ed.), "Forhandslagring in Norge?" [Advance Stockpiling in Norway?], *Pax*, Oslo 1980, Gleditsch, Nils Petter and Berg, Nils, "Avtalen" [The Agreements], pp 215-224, p 220.
11. See for example Lindberg, Steve, "Norway--the Achilles heel of the Nordic Countries?" *FINSK TIDSKRIFT*, H 7-8 1983, pp 349-361.

12. An excellent review of the defense development in Finland is given in Mottola, Kari, "The Politics of Neutrality and Defence: Finnish Security Policy Since the Early 1970's," COOPERATION AND CONFLICT, Vol XVII, No 4 1982, pp 287-313.
13. See for example Lyth, Einar, "Military Defense in the Nordic Countries," FOLK OCH FORSVAR, Stockholm 1979, p 85.
14. On the part of Norway a lack of opportunities for reinforcements, on the part of Finland a need to maintain sufficient defense in order to avoid activation of the VSB pact in the early phase of a war. 15.
15. This is a "new" element in Swedish foreign policy, especially noticeable since the mid-1970's in statements concerning Nordic stability.
16. It is typical of the Soviet Navy to use its amphibious capability as a demonstration of strength in the Third World, by letting landing vessels, for example of the Ivan Rogov class, show up off the coasts of client states when the latter feel a regional threat. For a more in-depth analysis, see for example Bradford Dismukes, James McConnell, "Soviet Naval Diplomacy," Pergamon, New York 1979.
17. This seems to be a 1980's phenomenon; TEMPUS No 54, 4 April 1984, p 10, for instance, mentions that the first large-scale Soviet landing maneuver in the Baltic took place in January-February 1981.
18. The operational range for fighter aircraft is difficult to calculate, due to the weapons load, operational altitude, resistance, etc. The operational range of the SU-24 Fencer, for example, with an operational profile of a generally low altitude (lo-lo-lo) is calculated at more than 200 km, at varying altitude (hi-lo-hi) 700 km and with half the load at lo-lo-lo altitude 800 km and at hi-lo-hi altitude 1,600 km (Wallin, Lars B., "The Character of the Future Conventional European War," FOA [Defense Research Institute] Report C 10118-M 3, July 1981, p 168, Fig. 94). In transit (without weapons load in one direction) the range for the newer version of Fencer, Su-24, is estimated at 4,000 km ("The Military Balance 1983-1984," p 121). One assumption in this article is that for example SIPRI's [Swedish International Peace Research Institute] calculations of maximum operational radii (see for example SIPRI Yearbook 1982, Table 1.5, p 19), are not realistic in operations over Sweden, where for instance air combat, external electronic jamming equipment and, for instance, time-consuming operations at more varied operational altitudes than the hi-lo-hi operational profile considerably reduce the actual operational range. In order actually to be able to preserve the chances for effective air presence over an area (such as exact position-finding and defense against cruise missiles), the theoretical operational range is likely to be drastically reduced to such an extent that halving SIPRI's theoretical hi-lo-hi profile need not be an overly drastic reduction. In order not to be accused of alarmism, I assume such a reasoning here.

19. It is presumed in Western military circles that successful landing operations require practically absolute air supremacy. See for example von Celsing, Folke, "Coastal Invasions," FOA Report A 10002-M3, January 1981, p 19.
20. Ten percent of the Soviet fighter aircraft would mean about 600, while Sweden's fighter aircraft number 420. (The Military Balance 1983-1984, p 18, p 47).
21. Cruise missiles can be launched from underwater vessels, surface vessels or bombers.
22. The map presumes that the Soviet Union would fly over Finnish territory without directly using bases in Finland, a possibility if, for example, the VSB pact is interpreted literally, and the Soviet Union does not directly have offensive need for Finnish territory. Even without flying over Finland, which in that case is neutral, the Soviet fighter aircraft can cover the central portions of Sweden. The map also presumes that the fighter aircraft bases are not located in the immediate war zone.
23. Data compiled from SIPRI Yearbook 1982, Table 1.5, p 19, SIPRI 1976, pp 214-220; "Soviet Military Power," Department of Defense, Washington 1983, p 39, p 43, "The Military Balance" 1979-1980, 1980, 1981, 1981-1982, 1982-1983, 1983-1984; SIPRI Yearbook 1983, p 156. The ranges of MiG-29 and Su-25 are assumed to be at least in the same class as for MiG-25, which has been deployed in the Foxhound version since 1983, equipped with look-down radar and probably intended for defense against cruise missiles.
24. A change in generation in the Soviet aircraft arsenal, i. e. a transition from one aircraft to another as principal aircraft type, seems to take about 10 years. In this way the majority of the Soviet fighter aircraft 1990-1995 can consist primarily of MiG-25 Foxhound, Mig-29 and Su-27.
25. "Security policy and total defense," report submitted by the 1978 Defense Committee, Ministry of Defense, DS Fo 1981:1, Liber, Stockholm 1981, pp 71-72.
26. "Total defense 1982/1987," final report by the 1978 Defense Committee, Ministry of Defense, DS Fo 1981:14, Liber, Stockholm 1981, p 80.
27. In general it is anticipated that cruise missiles will be launched from or above the ocean areas of central Norway. In order to make cruise missiles difficult to defend against politically as well, it is conceivable, however, that the missiles will utilize for example southern Sweden and Gotland as well as Lapland and the Torne Valley, where the risk that different partners wish to destroy these missiles simultaneously, as well as priority conflicts and general "confusion," would result in a deterioration of the defense effect.

28. Heurlin, op. cit., p 9.
29. Bjol, Erling, "Nordic Security," Adelphi papers No 191, IISS, London 1983, p 21.
30. See for example HUFVUDSTADSBLADET, July 1 1983, "Nordic Security Policy and Finlandization," in which Holsts commentary on Bjol is quoted.
31. The growth percentages are calculated on the basis of figures from SIPRI Yearbook 1981, 1982.
32. Canby, Stephen L., "Swedish Defence," SURVIVAL, May-June 1981.
33. "Foreign Policy Issues 1981," Foreign Ministry, NEW SERIES 1:C:31, p 123.
34. TEMPUS, 6-9 April 1984, p 5.
35. See for example Lider, Julian, "Military Theory," Gower, Aldershot 1983, p 129.
36. Katz, Mark N., "The Third World in Soviet Military Thought," Johns Hopkins University Press, Baltimore 1982, pp 9-12.
37. McConnell & Dismukes, op. cit., Conclusion, p 289.
38. George, Alexander L., "The Developments of Doctrine as Strategy," in George, A. L., Hall, D. K., Simons, W. E., "The Limits of Coercive Diplomacy," Little & Brown, Boston 1971, p 18.
39. Jeivas, Gunnar, "The Soviet Report," FOA report C 10211-M3, September 1982 p 47.
40. See for example Eronen, Jarmo, "Language as an Ideological Weapon," FINSK TIDSKRIFT H 10, 1982, pp 520-527.
41. Vigor, P. H., "The Soviet View of War, Peace and Neutrality," Routledge & Kegan, London 1975, pp 179-181.
42. See for example the phenomena which may cause doubt regarding Swedish neutrality, put forward by Heurlin (op. cit., p 7).
43. Vigor, op. cit., p 187.
44. See for example Lindberg, Steve, "Toward Peace or Chaos," FOA report C 10222-M3 November 1982, pp 67-78.
45. Katz, op. cit., pp 11-12.
46. The Soviets' lukewarm attitude toward Finnish neutrality appears for instance with all clarity in Jakobson, Max, "Trettioattonde vaningen"

[Thirty-Eighth Floor], Schildts, Helsinki 1983, in the chapter "The Struggle for Neutrality," pp 236-246.

47. I here refer to the disagreement which for the first time in a long time prevails in the Swedish establishment about the orientation of the neutrality. The conflict of instruments between the Conservatives and the Palme administration is likely to concern the question of the extent to which confidence could function as a means of foreign policy.
48. For a brief discussion which touches on these mechanisms of inertia, see for example Lindberg, Steve, "Doctrine and Reality. Reflections Around a Norm System," pp 124-156, in Anckar, Dag (ed.), "Rights and Politics," Reports from the Foundation for Turku Academy Research Institute No 84, Turku 1983.
49. See Stahlberg, Krister, "The Foreign Policy Line" in FINSK TIDSKRIFT, H 1 1984, pp 53-58.
50. See for example Lindberg, Steve, "Are We Selling the Skin Before...?" FINSK TIDSKRIFT, H 9 1983; Stenstrom, Bo, "The 'Turku Romanticism' and Foreign Policy," ABO UNDERRATTELSE, 31 December 1983; Rosas, Allan, "Paasikivi's and Kekkonen's Legacy," HUFVUDSTADSBLADET, 31 December 1983; Jansson, Jan-Magnus, "A Matter of Consistency," HUFVUDSTADSBLADET, 3 January 1984.
51. Bjol, op. cit., p 42.
52. See for example the editorial "The Celebrant's Pointer," SVENSKA DAGBLADET, 24 November 1983; the editorial "Grumbling Celebrant," DAGENS NYHETER, 26 November 1983.
53. Quotations from the translation of "Pact on Friendship, Cooperation and Mutual Assistance Between the Republic of Finland and the Union of Soviet Socialist Republics," Proposal No 1, Parliament 1947, Acts III I, Helsinki 1949.
54. See for example the debate in DAGENS NYHETER, Dorfer, Ingemar, "U 137 May Have Navigated Wrong. Let Civilian Experts Examine Submarine Incidents," 26 April 1984; Forsman, Lennart, "Incursion Was Intentional," 3 May 1984; Alsen, Olle, "SVENSKA DAGBLADET's Loquacious Silence," Myrberg, Ingemar, "Operating With Noisy Diesel Engines Is Senseless. A Spy Ship Runs on Batteries," 4 May 1984; Nycander, Svante, "Swedish Muzzle Paper," 7 May 1984; Alsen, Olle, "It Began With U 137," Agrell, Wilhelm, "The Official Theory Collapses," 11 May 1984.
55. President Koivisto stated at the closing of Parliament on March 3 1983, that political scientists "have no advantage over the fortune-tellers" when it comes to predicting exceptional phenomena, HUFVUDSTADSBLADET, 4 March 1983.

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POLITICAL

FINLAND

# MAJORITY COMMUNISTS MAY BE PREPARING FOR FORMAL PARTY SPLIT

Helsinki HUFVUDSTADSBLADET in Swedish 20 Dec 84 p 2

[Editorial by Jan-Magnus Jansson: "Decision With no Turning Back"]

[Text] The majority within the Communist Party is now preparing to assume control of the party and end the many years of division. This in turn makes an actual and later perhaps also a formal split of the party an issue, writes Jan-Magnus Jansson in a commentary on Monday's decisions.

"This train can no longer be turned around," Jouko Kajanoja is reputed to have said, having fought like a drowning man against the current of the Communist Party's Central Committee on Monday. Finland's people will surely long remember the television glimpse of the former party chairman, wandering about pathetically looking for a place to put the mass address of 11,000 names which the present party leadership had coldly rejected.

No, the train cannot easily be switched from the track on which it is now rolling and whose end station must be the long predicted split of the Communist Party. "Split" is the word which outsiders--and of course the party minority as well--usually use in this connection. It should be remembered, however, that from the viewpoint of the party majority the matter looks different. Here, it is believed that the matter involved restoration of unity and regulation order to the party, and that the split is only a result of this.

For a number of years we have here represented the opinion that mending the Communist Party will still take a long time, even if it is not possible to expect reconciliation and trustful cooperation within it. We have assumed that on the one hand international factors--primarily the frequently manifested attitude of the Soviet Communist Party--and on the other the major organizational difficulties involved in a split in two, would lead to the continuation of status quo.

This interpretation could still be upheld after the party congress last spring. Now it must be abandoned. The election of Arvo Aalto and Aarno Aitamurto gave the party a team of leaders who possessed both the necessary toughness and the necessary knowledge of organizational technique in order to accomplish the intended purge.

It is part of the ironic highlights of the situation that the minority itself pushed through the extra party congress which has accelerated the final break. Aalto, of course, declared himself willing to have a congress, which was required according to the statutes, since it had been called for by a sufficient number of district organizations. But it soon became clear that the congress would take place entirely on the conditions of the party leadership. The congress would further confirm the power of the party leadership, and all thoughts of a revision of the decisions of last spring would be shelved.

The decisive step was taken when the party's central committee approved the two parallel districts which had been founded in the principal Taistoite regions, *Uusimaa* and *Varsinais-Suomi*. Preparations for the founding of additional new district organizations in the minority-dominated areas are under way. They will represent the party members at the congress, and in all certainty no outspoken representatives of the party minority will be allowed through the eye of the needle.

The minority is obviously not without resources either. It has its original eight districts and beyond that the "Tiedonantajyhdistys" [backer of Communist papers] often mentioned by Aalto, which takes care of maintaining the minority wing's newspapers and whose activity also extends to the districts dominated by the majority. This entire "bloc" has functioned as the actual activity framework of the minority, particularly since the party congress.

Against the background that we will soon have two genuinely detached communist organizations, acting separately from each other, it is of less importance whether and when a second communist party will be formed. It is conceivable that a few common bodies will stay together for some time to come. This applies to for example the DFFF's [Finnish People's Democratic League] parliamentary group, where the leadership favors an equalization and where the problems have in fact been fewer since the party went into opposition. The actual founding of a new party must, of course, take place according to the forms prescribed by party law.

In that kind of situation the existing, majority-controlled, party has certain given advantages. Name and emblems remain with it. The minority phalanx, which is made up of traditionalists who consider themselves representatives of the straight line from 1918, will not have an easy time establishing itself on a new foundation.

A factor which also cannot be completely ignored is the DFFF's socialists, even if at present they are more or less out of the game. They surely have no real desire to take a stand on the FKP's [Finnish Communist Party] internal conflict, and one possibility is of course that they will also form a party of their own. In any event, they are politically independent of political cooperation and election cooperation with Aalto's majority line, and in the long run this is likely to be decisive for their position.

Several observers have already discussed what a party split would mean to the country as a whole. Most more or less agree that two competing communist parties is nothing to wish for, and it is easy to concur with that evaluation. The Communist Party of the Soviet Union has not shown much of a knack for settling the Finnish party conflict, but it is in any event a factor to reckon with in the context. Its final attitude, in particular toward the majority party, may affect Finnish policy in general.

In the election field a split in two must at least initially weaken the already depleted Communist Party. However, the majority anticipates a recovery, and probably rightly so, if the party turns out to be able to act strong and unified. The minority has several colorful representatives and traditional strongholds. It is not likely to disappear that quickly from Finland's political color chart. On the other hand, in an election it would suffer from the handicap which affects all small, geographically divided parties, in particular since in a similar situation it could scarcely count on election cooperation with others.

The internal communist conflict has endured so many phases that there has been hesitation to pronounce the words "there is no going back." Nevertheless, today they seem justified.

11949  
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POLITICAL

GREECE

PAPANDREOU OPENS PEACE MOVEMENT'S MEETING

Athens TO VIMA in Greek 11 Dec 84 p 3

[Article by I. K. Pretenderis]

[Excerpts] "In recent years, Greece has substantially changed its foreign policy. It has freed itself from the policy of one-sided adherence to a specific bloc, because for a small state this means that its attitude toward international problems is constantly determined by others; it means a constant process of subordination.

"Now we are following a policy of balanced relations which permit us to proclaim with our own voice our own ideas on peace and the independence of the various peoples.

"It is a policy which gives us the ability to judge each international event by our own criteria and not by the criteria of our friends and allies."

This was stressed by Premier Andreas Papandreou yesterday in opening the proceedings of the Second Conference of European and American Peace Movements on East-West Dialogue. Taking part in this conference, which was organized by the KEADEA [Movement for National Independence, Democracy, Peace and Disarmament]--but in which also the other two Greek peace movements, the AKE [Non-aligned Peace Movement] and the EEDYE [Greek Committee for International Detente and Peace] are participating--are 62 peace movements from 28 countries of East Europe, West Europe, and North America.

In his inaugural speech, the premier referred to the dangers which threaten peace and which are causing very deep anxiety. The initiative of the six leaders, he stressed, stems from the serious concern which the present situation is causing.

The reasons for this concern are, according to Papandreou:

- The increase in the nuclear stockpiles,
- the theory concerning a prompt strike which has been promoted in recent years in the United States,

- the worsening of international tension,
- the lack of a constructive dialogue between the two superpowers.

Next the premier referred to the catastrophic consequences of the arms race, not only in terms of preparations for war, but also in terms of the quality of life in peacetime. The money which has been squandered for arms in the years which we have passed through, emphasized Papandreou, is enough to save the lives of 1 billion people--that is, 30 times more people than have died of hunger on our planet.

The premier concluded his speech by referring to Greek foreign policy, where he stressed that this has to do with a "strictly Greek policy, a policy which establishes our national independence, a policy which is balanced and multidimensional...a policy of peace."

At the first day of the conference yesterday, the participation of the head of the Soviet delegation, a chairman of the Supreme Soviet of the USSR, (Leo Tolkounov), also aroused interest. In a speech following that of the chairman of the KEADEA, Khr. Markopoulos--who had described the framework for a constructive dialogue between East and West--(Tolkounov) confirmed that there are opportunities for removing the threat of military confrontation, but for this "political realism" is needed. It is necessary, he continued, to have a serious dialogue on a basis of equality between states with different social systems, and to have negotiations during which the sides would recognize their great responsibility and would make efforts to achieve positive results.

12114  
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POLITICAL

GREECE

PASKE-ESAK-S RIFT INDICATIVE OF PASOK-KKE DISAGREEMENT

Athens TA NEA in Greek 2 Dec 84 p 5

[Article by V. Tzannetakos]

[Text] The "crisis" which has broken out in the GSEE [Greek General Confederation of Labor], with the formal excuse for this being the differing views of the two parties on the income policy for 1985, is only the tip of the iceberg of the more general problem of relations between PASOK and the KKE.

Many observers perceive the "crisis" in the GSEE as having a political foundation and as being an excuse for the two parties to express their broader political objectives, which cannot be isolated from the upcoming election campaign period.

PASOK has deemed that the present general business climate is favorable to the implementation of its "tight-fisted" income policy, which was chosen so as to have the smallest possible "damage" from strikes. Because within the party the view has finally prevailed that the economic crisis and the touted danger of a return to power of the Right will function as a check on the resumption of major initiatives for strikes and will be a rallying point for wider forces of the people.

But for its own part, the KKE is feeling pressure from the need for some kind of more substantial differentiation from PASOK, at least in the trade-union area (GSEE, and so forth), and it seem determined to oppose the income policy.

Formally speaking, following the turn which the government's income policy has taken the KKE has enhanced arguments for justifying its opposition, but ultimately its stand will depend not so much on "monetary" factors as on political ones.

Behind the scenes, essentially two different policies have come into collision: That which was being expressed by the "technocrats" when they talked about a "tight-fisted" income policy and so forth, and that which was being promoted by the party's power centers, which have more contact with the rank and file and had come out in favor of a policy of controlled benefits, above all because this is an election-campaign year.

And as it seems from the stance taken by the majority in the GSEE (PASKE [Panhellenic Militant Workers Trade Union Movement]), in this "clash" the "technocratic" view prevailed, which was also supported by the party machinery. For its part this party machinery subsequently undertook to get these choices "accepted" also among the unionists, despite the objections which some of these had expressed in connection with what kind of political expediency and consequences such an income policy may have.

The many hours of "deliberations" at a major Athens hotel on the eve of the plenum meeting of the GSEE had the result of provoking a crisis in the GSEE because of the disagreement between PASKE (PASOK) on the one hand and ESAK-S [United Antidictatorial Labor Movement-Cooperating] (KKE) and AEM [Antidictatorial Labor Front] (KKE-Interior) on the other. But also it caused a more general crisis as to the trustworthiness of the GSEE as a trade-union organ, although without there being immediately any apparent danger of a change in the administrative organs of the GSEE through the departure of officers of ESAK-S and AEM, at least not on the initiative of the latter.

A change in the composition of the organs of the GSEE would constitute the culmination of the rift and would be a "historical vindication" not only of the government and trade-union figures in PASOK who never liked the present cooperative arrangement, but also of other countries which also did not approve of the participation of ESAK-S in the governing body of the GSEE.

The initiative for moves to be taken concerning this issue belongs essentially to PASOK, following the choice made by ESAK-S to not withdraw from such organs on its own initiative (resignation) because of its disagreement with the majority and its refusal to participate in the proceedings on the income policy.

Consequently, the problem of cooperation in the GSEE has been "assigned" to PASKE and by extension to the government. Some of its officers believe that this cooperative arrangement in the GSEE has not protected PASOK from strikes or other pressures. Similar problems, but from another angle, have been spotted also in the KKE, where there is a movement which does not want cooperation, because it believes that in this way its political faction is "compromised" as a "fellow-traveller" of PASOK, without significant trade-offs having been ensured.

12114

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POLITICAL

GREECE

#### MITNOTAKIS POSITION WITHIN ND SEEN TENUOUS

Athens TO VIMA in Greek 9 Dec 84 p 3

[Article by Mikh. Dimitriou]

[Text] The strong differences from the views of the chairman of the ND, K. Mitsotakis, which were expressed the other day in the Chamber of Deputies by G. Rallis and K. Stefanopoulos are just the visible "tip of the iceberg" in connection with a series of inner-party problems and frictions which have arisen and which are constantly intensifying.

Mitsotakis, who as of today has completed 100 days as leader of the ND, has been criticized more and more frequently in recent days by deputies, officers, and members of his party, who have already begun to consult with one another in confirmation of their pessimistic concerns.

Feelings of discouragement and intense concerns within the intimate inner-party staff have been produced by the results of a recent "poll" on behalf of the ND, according to which of the 38.05 percent which it had as its constituency in the Euroelections, only 33 percent stated that they have resolved to vote again for the ND (!)

In any case, the feelings of pessimism more generally among deputies, officers, and members about the 100 days of leadership by Mitsotakis have arisen from the fact that--despite the initial enthusiasm--Mitsotakis has not been able to give a different image to the party from that of his predecessor E. Averof and, above all, that he has brought about friction and divisions "along many fronts"

According to these criticisms, which recently have been voiced repeatedly in evening meetings, Mitsotakis is charged:

1. With having brought about frictions in the relations between the party and President of the Republic K. Karamanlis, resulting in his being politically isolated at only an institutional level, and in the betrayal of the recent "radical policy of traditional values."

2. With having repeatedly caused inner-party crises (from ONNED [Youth Organization of the New Democracy] to the sector of trades), without achieving by these means either a genuine revitalization or the

consolidation of his position as leader. It is characteristic that the new "federal" leadership of the youth is, in essence, being treated as a guest in the offices of ONNED, while the control of its machinery remains in the hands of the previous leadership.

3. With having estranged himself from the main body of those who formerly supported the "Averof" deputies, who do not conceal the fact that they are extremely dissatisfied with certain moves and decisions made by Mitsotakis. These people have withdrawn from all party activity.

4. With having failed to achieve the approval and support of the leading officers of the faction consisting of G. Rallis, G. Papakonstandinou, K. Stefanopoulos, and Milt. Evert, whereas E. Averof gives this support only within the framework of the "privileges of guardianship" as an honorary leader and a "vaulting bar" to the party leadership by Mitsotakis.

5. With having appointed persons to the central machinery and the collective organs who have provoked many reactions and very little acceptance from the organized party rank and file, and who are accused of being "society chasers" and "uninvited guests."

But aside from these criticisms, which have to do with his way of handling things and his relations with other people, there are also certain other criticisms which relate to issues of ideological and political choices.

According to criticisms in this category--which are being leveled in private discussions of this faction's leading officers and deputies above all--in the 100 days he has been in power Mitsotakis has given the impression of being "the rear-guard leader for the government's policy" on foreign issues (Limnos, the Aegean, the EEC), whenever he does not content himself with a barren pro-Atlantic position, while on domestic issues he tends to lack "political imagination" and a willingness to confront the government on issues which lead to a weakening of the ND (television, electoral law, abolition of "cross" voting).

More specifically, Mitsotakis is charged with having failed as yet to present in any of his many public speeches a clear outline of the ideological principles and the chief directions of this faction's program--despite his initial promises.

Indeed, on the contrary Mitsotakis is criticized for having created greater confusion than existed in the past in certain sectors, and his critics refer specifically to his declarations about the "centrist" character of the party and his sharply rightist positions on economic issues.

In addition, according to certain "centrist-oriented" deputies of the ND, Mitsotakis has abandoned any intention to broaden the party in the direction of centrist positions, and has arrived at the notion of showing before the elections a "centrist facade" by cooperating at the highest level with 4-5 deputies and officers of the "movement of the five."

12114  
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POLITICAL

GREECE

#### TSOKHATZOPOULOS' NEW DUTIES DEFINED

Athens TO VIMA in Greek 2 Dec 84 p 7

[Article by Mikh. Dimitriou]

[Text] Some 2 months after Akis Tsokhatzopoulos assumed duties as minister "attached to the premier," his areas of jurisdiction in terms of staff and coordinating activities in the government and the party have been made clear. In these 10 areas of jurisdiction, which cover a broad range of issues and problems, Tsokhatzopoulos has begun to take action, sometimes in the public eye and sometimes--more usually--in private collaborations, contacts, and conferences.

The responsibilities which concern sectors of governmental activity have not been conveyed to Tsokhatzopoulos by a special decree of the premier. This fact is noted by circles of the rightist opposition as being "a kind of check" on the recently sharp rise of Tsokhatzopoulos in the governmental hierarchy.

The reply from circles of the government is that the duties of Tsokhatzopoulos in the party are similarly informal and--above all--that there is no need for a special decree by the premier so long as there is no intention to assign fixed jurisdictions to Tsokhatzopoulos, but instead responsibilities with respect to specific issues on a case-by-case basis.

The same governmental circles refer to the similar precedent of Georgios Rallis as minister to the premier, who carried out informal responsibilities which extended to issues of coordination of the government's activity, supervision over the parliamentary group, the leadership of ONNED [Youth Organization of the New Democracy], and so forth. "A decree by the premier exists," they comment, "but it does not need to be made public."

According to reliable reports, in the 2 months which have passed since Tsokhatzopoulos assumed his new ministerial duties, his areas of jurisdiction have developed as follows:

A. In the sector of party activity, Tsokhatzopoulos has the joint responsibility or the exclusive responsibility for supervising:



1. The occupational organizations of union members, of salaried employees and wage-earners, and of journalists, regarding which in particular he has recommended for a long time that they be minimized, if not dissolved.
  2. The Organizational Committee, which has the responsibility for the organizational machinery of the party on a national scale and abroad. The secretary of this committee is Dim. Sotirlis, who also has the post of special adviser in the office of Tsokhatzopoulos.
  3. The "Joint Committee" of the movement and the government, whose purpose is to harmonize the governmental and party functioning, with the secretary being Stefanos Manikas.
  4. The International Relations Committee, which has as its secretary Alternate Minister of Foreign Affairs Karolos Papoulias, and whose responsibilities are the party's relations on an international level.
  5. Contacts with officers in parties of the leftist opposition (mainly with the KKE) which have to do with issues of cooperation on the trade-union level, as well as with former deputies or officers of the Center or of the Left more broadly.
  6. The Committee for Greeks Residing Abroad, which has as its secretary Makis Papastavrou and as alternate secretary the advisor to the Ministry of Public Works and a close associate of Tsokhatzopoulos, the civil engineer Giannis Beltsos.
- B. In the governmental sector, Tsokhatzopoulos has the exclusive responsibility for coordinating and supervising:
1. The secretariat of the KYSYM [expansion unknown] and, depending on the issue, the activity of certain advisers and associates in the Office of the Premier.
  2. The interministerial "technical circle" which is made up of the ministers of public works, energy and natural resources, physical planning, and research and technology.
  3. The committee on the problems of Attiki, and in particular its technical projects, which is made up of the general secretaries of the appropriate ministries and the nomarch of Attiki.
  4. Operational affairs of the government, which the premier assigns to Tsokhatzopoulos for coordination or study, and also matters of special interest which concern high-level negotiations, such as for example the request of the business magnate (Kassongi) for permission to make investments in Greece.

Following the experience of the last 2 months and the contradicting of what has been published at various times, the ministerial upgrading and the noteworthy responsibilities of Tsokhatzopoulos lead to two conclusions of importance:

Firstly: The ministerial promotion and appointment as minister "attached to the premier" of Tsokhatzopoulos means that within his intimate staff of associates, Papandreou wanted a pure-blooded and long-standing party officer as coordinator, but also as a conduit of governmental and party operations.

Secondly: The weaknesses of certain sectors of governmental operations, above all at the level of the implementation of the decisions either of the KYSYM or of the other collective organs and of the premier himself, has imposed the need for monitoring the course of such implementation "on a daily basis," and also the need for corrective interventions in sectors where unjustified delays have been observed.

With this meaning and given these facts, the areas of jurisdiction of Tsokhatzopoulos are informal but are linked both to the multitude of orders from the premier which are to be expedited, and to the "force of habit" of the ministers, deputy ministers, administrators, and chairmen in turning to Tsokhatzopoulos as a "juncture point."

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POLITICAL

GREECE

ARAFAT DENIES PLO SECRET SERVICES TRANSFER TO ATHENS

Athens TO VIMA in Greek 10 Jan 85 p 3

[Excerpt] Palestinian secret services are based in Tunis and reports that they have been transferred to Athens are unfounded. This categorical denial was made exclusively to our newspaper by representatives of PLO leader Yasir Arafat.

In answer to a specific question by TO VIMA, the Palestinian leader answered: "These reports lack any basis in fact. The PLO secret services are always located where the organization's leadership is based."

In reference to the article that appeared on 22 December 1984 in the Saudi Arabian newspaper AL-MAJALLAH, a PLO representative stated to our newspaper that "for specific reasons, those who transmitted the information distorted the meaning of the article." According to this official, the AL-MAJALLAH newspaper reported on 22 December 1984 that for technical reasons the PLO is planning to move the organization's central press office and the offices of the FALASTIN AL-THAWRAH, organ of the PLO's Central Committee.

According to the same representative, the distortion "must be ascribed to the Western and Israeli secret services, which have launched a war of defamation and slander against the PLO and the friendly Greek government."

Meanwhile, the Greek government spokesman denied other reports which surfaced yesterday, according to which Syrian agents have come to Athens in order to assassinate local Palestinians.

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POLITICAL

GREECE

# GREEKS' GAP BETWEEN REAL, IMAGINED WORLD

Athens TO VIMA in Greek 6 Jan 85 p 48

[Article by Nikos Dimou: "Imagination to Power"]

[Text] The most important event which occurred last year is not related to the serious and deep reviews that were published by all our newspapers.

It is an event which, more than any other, allows us to understand the political behavior of modern Greeks.

Is it an event or is it a symptom?

In a poll by the TAKHYDROMOS magazine, 69 percent of the respondents stated that they approve of the National Health System.

The question was: "Which of the measures adopted by the government do you approve of, and which do you reject?"

The voting age of 18 came first with 70 percent; the National Health System was second, and civil marriage was third with 63 percent.

However, while the voting age and civil marriage have been "implemented," the National Health System is still on paper.

Therefore, the crushing majority of Athenians approves of something that does not even exist at this time!

I suspect that their answers must have been a puzzle even for the competent minister. What do Athenians approve of specifically? The intent? The plan? Or only the vision?

In May 1968, one of the nicest slogans was: "Imagination to power!" Well, now imagination is being voted on. It has the absolute majority. Political struggles are effected in the domain of imagination. Deeds play a part no longer, only wishes do. Effectiveness is no longer judged, only visions.

Do you wish to have still more proof for the rule of unreality in our life?

In the same poll, 63 percent approved of civil marriage, while it was rejected by 21 percent.

In reality, of course, it is rejected by 90 percent, because it is practiced by only 10 percent of the couples.

But what we try to do is project a progressive, modern image. So, we vote for an imaginary picture of ourselves, which approves of civil marriage, and God knows what other progressive beliefs. But we do not vote for the actual deed. When the time comes to get married, we run to our parish priest.

This gap between the image of our idealized self and reality is beginning to become dangerous. Greeks search for their roots in the fast food joints of their villages dressed in imported clothing, they vote for socialism, live in capitalistic fashion and get married in a church. They also approve of a National Health System which they have never seen. I don't understand it at all. Do you?

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POLITICAL

NETHERLANDS

## SURINAMESE IN COUNTRY CREATE ECONOMIC, SOCIAL PROBLEMS

Helsinki HELSINGIN SANOMAT in Finnish 28 Dec 84 p 17

[Article by Matti Klemola: "A Harsh Life in Mother Country"]

[Text] Amsterdam--The drab concrete walls of the Bijlmermeer residential suburb on the edge of Amsterdam represent the framework of life for tens of thousands of immigrants from the South American country of Surinam.

Here, a full 10 kilometers from the center of Amsterdam one can find Holland's largest concentration of Surinamese on a foggy reclaimed wasteland next door to a rapidly growing office building and industrial area.

In the middle of the 1970s when the Surinamese exodus to Holland began in full force, the Bijlmermeer suburb offered the only opportunity for shelter for many of the immigrants who intended to move to Amsterdam.

Surinam, the former Dutch Guyana, became independent in November 1975. The transition phase from a colony of the Dutch Crown to an independent state was short. The reason for this haste was the desire of Joop den Uyl's left-wing government to rid Holland of its colonies. Surinam was not ready for independence, but in the prevailing "progressive" atmosphere at that time Holland's international reputation was given precedence irrespective of the actual situation prevailing in Surinam.

### One-Third in Holland

An individual point which subsequently turned out to be an important element of the the independence agreement was that the Surinamese could elect to remain in Surinam or move to Holland.

To date 180,000 have moved. According to an estimate of the Dutch Interior Ministry, at least 160,000 Surinamese arrived in Holland in only a 2-year period in the middle of the 1970s. And, without a doubt, the majority of these Surinamese has come to stay. The door behind them has been closed for many reasons.

The situation that has come about in approximately 10 years has resulted in the fact that a little less than one-third of the Surinamese lives in Holland,

the population of Surinam itself being only 400,000. In the middle of the 1970s the joke was that the last Surinamese to leave must turn out the lights.

Astrid Elburg is a member of the multiracial Surinamese black population. She moved to Holland in 1976, the last in her family. Astrid Elburg, who does know who her father is, says that she opposed the whole idea of moving.

"This was, of course, the result of the fact that at the time I was at the age of puberty and I did not want to leave my friends. But when my mother and five sisters moved to Holland in 1975, it took only a year before I decided to follow. I was 18 years old then.

"In addition to strong family ties, my decision to move was influenced by the fact that I lived with my aunt in Surinam and our relations were especially tense.

"When I came to Holland, I did not experience any actual cultural shock. I only remember that I was terribly cold even though Holland was experiencing an actual heat wave in May 1976," related Elburg.

She moved in with her family in the Bijlmermeer suburb of Amsterdam. A little later Astrid began to be afflicted with bouts of depression. Everyone in Holland was much poorer than she had imagined.

"In Surinam the information we received about Holland was completely different than what reality turned out to be," she complains.

Astrid, who now works for the City of Amsterdam, has adapted well to the new environment. She is not certain whether she will remain permanently in Holland or return to Surinam someday. Or whether she will move to some other Western European country.

### 30 Percent Unemployed

Astrid Elburg is one of those fortunate ones who through her own adaptability has learned to function under the conditions of Dutch society. She is a successful Surinamese in her life and in her work.

But far from all the Surinamese in Holland is in Astrid's position. Along with the Turks and the Moroccans the Surinamese are Holland's most troublesome immigrant group. Holland's unemployment rate, which is around 14-15 percent, is especially hard on the Surinamese. Approximately 30 percent of the working-age and able bodied Surinamese is unemployed and approximately 40 percent of the young Surinamese is outside of the labor force.

The reasons for this are many and some of them are connected with the background of the Surinamese. They speak a more or less reasonable level of Dutch. They have some degree of education. But these circumstances are not necessarily of great assistance since a Dutch-speaking and educated Surinamese must compete with the Dutch for the same jobs.

In addition, the majority of the Surinamese in Holland lives in urban areas. At home in Surinam they worked in offices and in various service trades. Upon their arrival in Holland, the Surinamese Creole population, in particular, expected that they would find the same kind of work they had in Paramaribo, but things turned out differently.

Now a path is being cleared for the Surinamese by, among other things, compromising on height requirements for the police. This is part of a clarification intended to eliminate seemingly innocent stipulations in Dutch legislation, which, in practice, result in racial discrimination.

#### Adaptation Will Take At Least 50 Years

But in spite of all the official measures connected with the obtainment of jobs, housing, and a reasonable education, the most realistic Dutch estimate that the actual adaptation of the Surinamese to Dutch society will take "at least a half of a century".

It may be that it will be "a question of life and death", as a certain high official of the Interior Ministry has stated.

The same official wonders why immigrants from Dutch East India adapted and became integrated into Dutch society with few problems except for extremist elements of the Moluccan population.

#### Identity Crisis Is Fundamental Problem

Iwan Bottse, a broadcaster for Radio Amsterdam, sees the fundamental problem of the Surinamese as a profound identity crisis.

Bottse, who is a Creole, moved to Holland to study in 1973. Now he feels that he has a missionary task. Once a week he broadcasts a 1-hour program on Radio Amsterdam directed at the Surinamese, and the sermon is always the same: Find yourself, be interested in your own problems, and strive to have an influence!

Iwan Bottse considers the mass migration from Surinam to be unfortunate. In his opinion, the future of the Surinamese in Holland seems to be quite gloomy.

"If Surinam's economic and political conditions were to improve, a large number of Holland's Surinamese would return and I would be among them," says Bottse.

But a return to the homeland is mere utopia for many. The reality at this moment points strongly to the fact that Holland will have a Surinamese sub-class for a long time, a class which is predisposed to all imaginable social problems from prostitution to drugs and from slums to street violence.

#### Divided Group

In addition to everything else, the Surinamese population is burdened by its own divisiveness. In addition to Creoles and Blacks, there are Surinamese of

Indian origin, among others, who as a group have done better than others under these conditions.

What is the most shocking in the stories of the Surinamese is their experience with respect to the Dutch. Because of this genuine colonialist father-child relationship, the Surinamese learned to think of themselves as Dutch, especially since they had a Dutch passport.

In Holland the Surinamese encountered a different kind of people, people competing for the same things they were. These Dutch were no longer those people whom every Surinamese had experienced and knew, but Western Europeans who have become hardened in the struggle of daily life. And for them the Surinamese are unconditionally foreigners.

Only in Holland have many Surinamese understood that a passport and the rights of citizenship do not mean a whole lot. Only in Holland have many of them comprehended that they are not Dutch but a Caribbean people lacking a real opportunity to return home.

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POLITICAL

NETHERLANDS

#### DEVELOPMENT AID BUDGET CONTINUES RISE EVEN IN RECESSION

Helsinki HELSINGIN SANOMAT in Finnish 29 Dec 84 p 24

[Article by Matti Klemola: "Holland Not Scrimping on Development Aid"]

[Text] The Hague--Wherever one happened to look in Holland in the beginning of December, one's eyes always came upon a red and black poster, which demanded: "Een voor Afrika" -- A Guilder for Africa.

In question were posters by which an appeal was made to the Dutch in November so that they would help starving people in Ethiopia and throughout the broader arid area of the Sahel .

The actual day of the aid campaign was 26 November. At that time Holland's private aid organizations launched a drive on a wide front with the support of the country's television and radio stations as well as an enthusiastic group of top artists in the manner of an already established international custom.

The result was impressive. The well-prepared and publicized collection campaign produced 100 million guilders or approximately 185 million Finnish markkaa in less than a 24-hour period.

This kind of a showing is typical of Dutch society, which is one of the front-runners in development aid and one of the world's leading providers of development aid.

#### Next Year 8.6 Billion in Aid

Holland's development aid has been 1.5 percent of its gross national product for a long time already, and in spite of the slight decrease in 1983, there are no signs that would point to a downward trend. On the contrary, as an absolute sum development aid is only increasing, and the whole development cooperation budget will be approximately 8.6 billion Finnish markkaa in 1985. This means that the level of aid will continue to be around 1.5 percent of the gross national product.

Hedy von Metszch, the director of the mutual assistance section of the Dutch Foreign Ministry, sees Holland's impressive development aid contribution as the result of several factors and circumstances.



"Behind all this is, in the first place, a solidarity based on Christianity, but also a socialist solidarity, in which there are also Christian elements.

"Secondly, it must be remembered that Holland is a small country, for which an outward oriented direction is important for reasons of export trade alone. In addition, some say that we are now paying back the debt owed from colonial times, but that in my opinion is not valid. The young people especially do not think in this way."

Hedy von Metszch admits, however, that a sense of guilt is certainly one of the factors, but "this does not explain the amount of development aid we give".

#### Development Aid A "Social Order"

Holland began giving development aid in the form that it is understood today already in the middle of the 1950s. From this modest beginning there grew the forceful national tradition of the 1960s and particularly of the last decade, the continuation of which no one practically speaking has questioned in the country's parliament.

On the contrary, the politicians speak rather in favor of increasing development aid appropriations even though Holland's economic position is not especially good. Unemployment, among other things, remains at the 14--15-percent level. And as in Western European countries, in general, youth unemployment continues to be alarming.

In addition to the apparent "social order", the fact that two-thirds of the development aid given by Holland is bilateral or mutual is one of the walls protecting development aid against possible unfavorable fluctuations of so-called public opinion.

Dutch officials make no secret of their distrust toward multilateral aid or in practice development aid channeled through international organs. A certain official of the development cooperation section of the Dutch Foreign Ministry, among others, says straight out that "the style and quality are not always what we would like to see" in multinational development aid programs. He adds that the powerful position of bilateral aid in Holland is also explained by the fact that it is easier for people to react positively to aid when it is known that it is an individual country or even an individual project.

The UN, in particular, seems to arouse resistance on the part of officials and especially citizens. In contributing to bilateral development aid the Dutch are able to keep an eye on the use of their funds much more accurately. And, above all, aid can be halted, if necessary, because of human rights violations.

This is what happened in 1982 when Holland discontinued all aid to its former colony of Surinam after the human rights situation became drastically worse in this small South American country. Only the Dutch Embassy in Paramaribo, the capital city of Surinam, can channel funds for alleviating an immediate crisis.

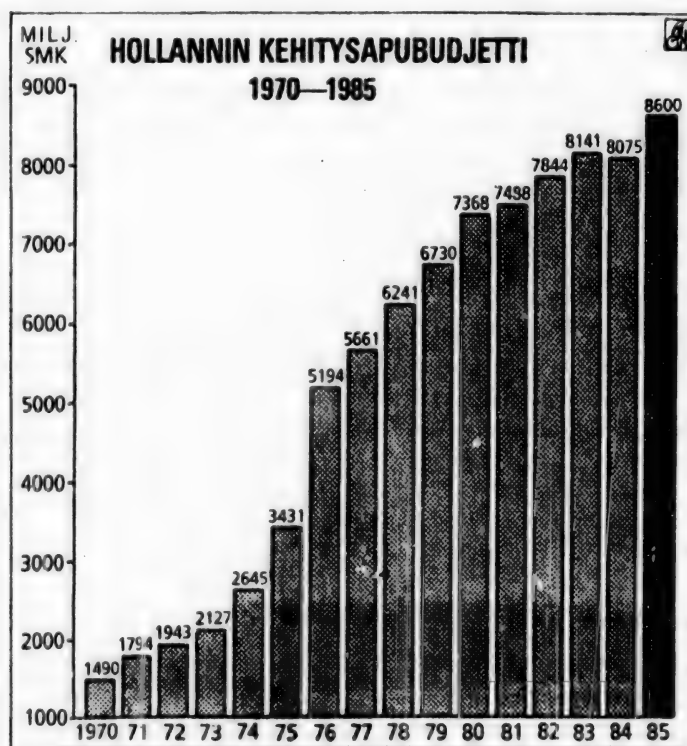
However, the Dutch have had to swallow human rights violations in certain countries much more important than Surinam -- such as Indonesia. The sacrificing of Surinam is not, of course, consistent in this light and it is apparent that economic interests and long-term prospects have kept Indonesia as one of the principle recipients of aid.

#### Pressures from Economic Needs

Officials do not, however, see the future of Holland's development aid to be as free of problems as one would expect on the basis of public opinion and extensive parliamentary support. The increasing intertwining of actual trade and aid is a trend that has been seen as disturbing.

In The Hague one receives the impression that an actual struggle will be waged between officials and the political decision makers over the degree to which development aid will also serve Holland's own economic needs. Holland's own economic situation as well as stiff competition in international trade will, without a doubt, in the future pull the rug out from under the supporters of "pure" development aid.

Holland's Development Aid Budget 1970--1985



Key:

1. Millions of Finnish Markkaa

## Civic Organizations Manage Significant Share of Dutch Aid

Private aid organizations are important elements of Holland's impressive development aid machinery.

The organizations, of which four are, indeed, important, receive approximately 7 percent of the total development cooperation budget for their use annually. In question is a respectable amount of money -- a full half billion Finnish markkaa.

What is even more interesting is the fact that the funds are granted to the organizations without any questions asked. Only afterward do state officials determine how well and how effectively private organizations have succeeded in disposing of public funds entrusted into their control.

## Individual Share Continues to Grow

H. A. J. Kruyssen of the Dutch Foreign Ministry makes the assurance that the experiences have been good. He even predicts that in the next 5 years private aid organizations will share about 10 percent of the whole development aid budget.

"Naturally, there have been some disappointments, but perhaps only 1 percent of all projects falls into this category. And this is quite natural since people are involved in this work and there is room for human error," says Kruyssen. He says that the ministry's officials conduct 4--5 inspection trips annually, during which the quality of work with respect to the Dutch aid organizations and recipient organizations in the developing countries is clarified in addition to political points of view.

The channeling of development aid funds to private organizations is the result of several reasons. The most important of them is the unreserved support enjoyed by them in Dutch society. Its roots are deep in Holland's Christian, Liberal, and left-wing humanist traditions.

But practical points of view have also favored Holland's private aid organizations. The organizations are not very bureaucratic in their operations, they have a lot of expertise, and for this reason they have an apparent ability to quickly and effectively reach the "grass roots level" or in practice those people who, indeed, need the aid.

Thomas Kerstiens, the director of foreign relations in the Catholic Church's Cebemo, the largest private aid organization, says that this organization has even more impressive funds at its disposal than the approximately 75 million guilders from the state or a little less than 140 million markkaa.

When it becomes a question of the Catholic Church, there are many sources of funding and the ability for meeting emergency or crisis situations is there at the turn of a hand.

In addition to Christianity, liberalism, and humanism, Thomas Kerstiens labels an almost complete lack of national feeling as a reason for the favor enjoyed

by the private aid organizations: "The Dutch may become enthusiastic in debating whether a German bean soup is better than a local soup, but an actual sense of nationalism has disappeared from the minds of the people. The young, especially, laugh at the whole idea."

Unlike Cebemo, which does not conduct fund raising drives around Holland but manages its funding through the traditional means of the church, Novib, another large organization, is just as familiar to the Dutch as is Mannerheim's Child Protection League to the Finns.

Thomas Kerstiens even suspects that the majority of the Dutch thinks the acronym Cebemo to mean creamery, for example... On the other hand, Sjef Theynis, the general secretary of Novib or Holland's international development cooperation organization, refers to a recent opinion poll. According to it, 78 percent of the Dutch knows what Novib is and what it does.

Novib, whose social support groups and lobbyists are on the left on the political map, only concentrates on helping developing countries partially at the local level itself. Novib's share of public development aid funds is a full 70 million markkaa annually.

"In addition to development aid, we also perform an information and training function here in Holland. In addition, we, naturally, put pressure on the Dutch Government, parliament, and also the European Community," says Theynis.

#### Trust Is the Foundation

The prevailing philosophy of the private aid organizations is that they try to have as little to do as possible with the political power machinery of the country receiving the aid. The principle is that governments give to governments, individuals give to individuals.

What is surprising is that the private organizations have not sent their own workers to the developing countries. The whole operation is based on trust: it is believed that the aid organizations in the developing countries are capable of using the aid received in the best manner possible.

Sjef Theynis says straight out that the more white people are involved in development projects at the the local site, the more difficult the situation becomes and the results become worse.

10576

CSO: 3617/53

POLITICAL

PORTUGAL

## COMING ELECTION CREATES PROBLEM FOR COALITION GOVERNMENT

### Common Sense Needed

Lisbon O DIABO in Portuguese 11 Dec 84 p 2

[Article by Jose Miguel Judice: "If Good Sense Were Used..."]

[Text] The series of negotiations between the leaderships of the two parties in the central bloc was still in progress as this article was written, and it will not end so soon, even if the two parties sign some statements. The reason is simple and could simply be resolved, if the negotiators were not seeking to deceive each other and to deceive the country.

It very often happens in politics that a reality develops in a way which is undesired or not foreseen, while despite this, a complex of varied reasons makes it necessary to conclude that it is preferable not to establish the consequences of this change immediately. This is what is happening with the central bloc. When it was created, those who seriously supported it hoped that an agreement on the overall sharing of power between the two parties would be possible, such that the coalition could be maintained without major problems through one or two legislatures. For this to occur, certain things had inevitably to happen, such as acceptance by the PSD [Social Democratic Party] of a certain leadership role for the PS [Socialist Party], a turn toward the right (or toward realism) on the part of the socialists, support by the social democrats for the candidacy (victorious) of Soares for the Belem post, and acceptance by the socialists of the PSD choice of its president for prime minister, from the time of the presidential elections until the end of the legislature.

Those who opposed the central bloc knew this, and they disagreed with the solutions for a complex of reasons which I have explained innumerable times. They stated clearly that the coalition would topple (even if it worked well and the government was successful) with the approach of the presidential issue. I do not know, nor do I believe that it is of much practical use to know, whether it would have been better had the presidential election not been scheduled for 1985 or whether the two parties could have reached agreement on the terms I mentioned above. Or whether it would have been better if the Soviet Union were a democratic society, if there were oil in Europe, if Benfica had beat Liverpool, or if the investments had not been made in the CNP [National Petrochemical Company]. Things are as they are and it does no good to bury one's head in the sand and pretend one does not know.



Therefore the reality is that Dr Mario Soares, with full legitimacy, wants to be elected president of the republic, and the PSD, also with full legitimacy, wants someone else to hold that post. The PS wants to be the hegemonic party or at least the main Portuguese party, and the PSD wants the same thing. The PS wants to direct the political situation, and so does the PSD. What both would really like would be the possibility of ceasing to be coalition partners, and both realize that for the time being they are condemned to survive together. Neither one likes the other now, and each of them thinks, and is in part right, that the other would like to deceive it. Both are looking for a way of separating such that the country would be persuaded that it is innocent and that the other party was responsible for all the evil.

In a complicated situation like this one, the error lies in too much emphasis, in excessive effort by the negotiators to make it seem that the coalition has the solidarity to last until 1987, that an effort will be made to achieve agreement on the self-governing bodies, that the PSD will work for the construction of a new majority after the presidential election. Beating one's head against the wall never was the best way of getting the brain working. And the negotiators of the two parties seem in fact to be dumb, attempting pretense in everything, or naive to the point of believing that it will suffice to put a list of good intentions on paper to make them real.

The proper solution would be a different one, the only one moreover which would allow the negotiators to emerge from this with dignity and credibility. It would involve finding a formula based on the clear admission that this coalition will end with the presidential election, that each party will function for itself until the election, and that after the presidential election, whatever its outcome, there will be legislative elections. If that were the case, the present government could easily be improved, because no one would view serving in it as threatening to end his political future or betrayal of his deepest convictions. The PS and PSD would govern for yet another year, with a now-modified program of reform, exploiting their best virtues and calling upon prestigious independents, without mental reservations or deceit, without trying to deceive themselves and with the strength of soul of those who want to show the country that if the two major Portuguese parties unite to save the regime, it is they which the people of Portugal should support in the future.

Then would come the presidential election, with each of the parties supporting its candidate, each of whom would choose the electoral program he freely deems best, and the citizens of Portugal would certainly elect one of them. The legislative elections which would follow, implemented now under a new electoral law, would certainly give victory to the party which saw its candidate triumph, and the other party would naturally become the opposition party. On the one hand there would be a government supported by a president and with majority parliamentary support, while on the other there would be a strong opposition. And a country in which basic reforms had been effected, in which the politicians had gained greater prestige, and in which the situation would have improved on all levels.

This should come about if our coalition leaders had good sense. It will not come about, because they do not. And what will follow during the next year will be regrettable. As, unfortunately, will be proven, at the expense of Portugal and its citizens.

#### Instability Expected

Lisbon DIARIO DE NOTICIAS in Portuguese 14 Dec 84 p 7

[Article by Guilherme D'Oliveira Martins: "Weight of Irrationality Still Felt"]

[Excerpt] Following various agreements and disagreements, the new agreement between the PS and the PSD has finally been signed. No one is surprised by this fact, but innumerable doubts remain concerning the durability of this new consensus. The fact is that the problems which led to its renegotiation seem to have remained in large part unresolved, and unless the functioning of the coalition and the government changes rapidly, the suspicion remains that disagreement may burst forth again within a few months. It remains to be seen if the prospect that the country can be governed and that our real problems can be resolved will prevail over the inter- and intraparty quarrels. How will the PSD react in terms of choosing its presidential candidate? What type of candidate will be chosen, civilian or military? Weak or strong? Loyal to the coalition or not? And what political leadership will emerge from the new congress? Will Prof Mota Pinto succeed in reversing, to his own benefit, a trend which seems obviously to be working against him? And if there is a new coalition of forces in the future leadership of the PSD, what will the consequences be in relations with the PS and in the life of the government?

At the time when Mario Soares and Mota Pinto signed the new contract last Tuesday, all of these doubts still hovered over the Sao Bento Palace, and no one with a minimum of good sense could guarantee the certainty of a further span of time or new life for the government and the coalition.

The atmosphere was one of obvious skepticism, and if one cannot say that the "central bloc" no longer exists, what is certain is that doubt and suspicion have invaded the personal and political relations of the partners in the coalition. And the worst aspect is that in terms of public image, this agreement appears less like the launching of a new impetus than an effort to extend for some further time a solution over which worrisome clouds laden with ashes hover. The last-minute hesitation of Mota Pinto served only to deprive the agreement of its impact, while at the same time innumerable pressures from the various PSD sectors indicated that the current political leadership had become incapable of representing the party as a whole, and thus of committing it externally to the political promises required of it. As of that time the New Hope group and the Mota Amaral-Joao Salgueiro group began to be decisive factors in any political maneuver undertaken by the PSD, while the political commission finds itself forced into a tight spot as it is seeking at any price to expand its area of influence, through agreements with any one of the opposition groups, or through an effort to divide them internally.

The truth is that the coming months will inevitably be a time of instability and of a desperate effort to obtain the urgently needed balance and solutions to the innumerable problems the party must resolve in the short run.

But will it not be possible to prevent the government from being disturbed by party quarrels, and above all by the presidential issue? Abstractly, perhaps, but concretely, this is impossible, as the most recent events reveal. It is obvious, moreover, that if the PSD were to choose a low profile candidate, a sensible--and losing--civilian, all the problems would be marvelously resolved. But one cannot believe that this will happen, at the precise moment when the polls (worrisome polls!) show the PSD leading (although it is followed closely by the PCP). There is now increasingly insistent talk of the candidacy of Alberto Joao Jardim or Proenca de Carvalho. Both would entail obvious dangers--populism, program distortion, and, it must be said, discredit for the institutions themselves. Playing with fire will in the end lead to unpredictable consequences for us all. The discussion of these names merely shows that irrationality is developing as a strange alternative to a situation which has allowed the lack of palpable alternatives to go on too long.

5157

CSO: 3542/76

POLITICAL

PORTUGAL

CREATION OF NEW PARTY NO SOLUTION TO NATIONAL CRISIS

Lisbon DIARIO DE NOTICIAS in Portuguese 23 Dec 84 p 8

[Editorial: "The Crisis and the Magicians"]

[Text] The future political party in gestation within the former CNARPE [National Committee of Support for the Reelection of President Eanes] seeks to be clearer, more ethical and effective than the others already existing in Portugal. Its embryo did not develop from an ideology or a doctrine, but from the field of influence and guidance of the person and action of the present president of the republic. It is born because of the work of supposedly independent personalities and of dissidents from other political groups, who are disenchanted with their respective party practices and dissatisfied with the way the country is going. They are united by a common point: one man (Ramalho Eanes) and an imprecise concept: "Eanism." He himself, also, conditions the need for the appearance of new political realities and his activities after leaving the Palace of Belem to the response that the parties give meanwhile to the hopes and the problems of the Portuguese.

There is a rhetoric of defeat about our democratic life. Ten years after 25 April the more or less general frustration is obvious. Too many institutional conflicts have been seen; successive governments have not been distinguished by competence, the development and actions of parties do not arouse great enthusiasm. Added to this is the fact that the economic and social situation became worse, thanks to cronyism and corruption, and nothing appears to be capable of resisting an apparent climate of disintegration. There is no lack, for that reason, of those who suggest or even exert absurd pressures for regenerating the regime. But will the political parties and Portuguese democracy function much differently than what is seen in the Europe of our illusions? Churchill continues to be right when he described democracy as the worst of systems except all the rest.

The mentors of the future party, to judge by their planned bylaws, say they want to implant a new morality and a new political practice. Patriotism will be special and will be superimposed over partisanship in ethical strictness, in cleanliness of procedures, in capacity for dialogue, in the defense of the principles of decency, honesty and competence. A point of honor: Freedom of thought of its members, specifically those possibly elected to the Assembly of the Republic. They will only be asked for discipline in voting

with respect to the program of government and in cases of particular gravity and importance such as motions of censure or confidence. We accept the noble purposes the party founders wish to inscribe in their bylaws. Would that be enough--added to the prestige of Eanes, a certain disillusion among the people and some discredit of the so-called political class--to make the new party different and better and give another moral dimension to Portuguese democracy? After all the other leaders and parties are rich in words and intentions.

The creation of the new party, therefore, poses some interesting questions. Its ideological-political foundations are relatively ambiguous. Its motivations are based on presuppositions, if not naive and out of touch with reality. Its ambitious objectives will perhaps never be realized. In fact, whether we want it or not, it is doubtful that any government is viable if the legislative forces which support it do not maintain a certain cohesion and party discipline. With the prospect of complete freedom for the deputies, how can the efficiency of work and the votes of the legislators be conciliated with the lack of discipline (or rather loyalty) with respect to the parties by whose slates they were elected? On the other hand, it is even more doubtful--not to say impossible--for Portuguese society to be changed and the crisis, about which so much is said, overcome in its multiple aspects from one minutes to the next by some act or movement of will.

That is to say, the process of political, economic and social transformation will always be inevitably slow; it obeys its own rules and will always be the fruit of a collective effort. To announce that it will be otherwise, that a stroke of magic will resolve everything--without prejudice to the admission that the new party will be different and better and that there is a fight for the old parties to be more coherent and effective in their political practice--is to spread vain hopes. Would we not be faced by a profound crisis of culture--an essential value which determines the vitality or the eclipse of peoples and nations?

8908

CSO: 3542/86



POLITICAL

PORTUGAL

#### OLD, NEW PS-PSD AGREEMENT PROVISIONS COMPARED

Lisbon O JORNAL in Portuguese 14-20 Dec 84 p 6

[Text] It Was Like This...

#### Addition to the Political Agreement

2.2. Formal rejection of external alliances to this coalition during the entire period of the respective period of validity, with the exception of that which in the future may be decided in matters of local government elections--rejection by the PS [Socialist Party] of any front movement of the left; rejection by the PSD [Social Democratic Party] of the recreation of alliances with parties to its right.

#### Reorganization of the Executive

3.2. They acknowledge, therefore, the desirability, that at the proper time the prime minister, after consultation with the vice prime minister, will proceed to the suitable restructuring of the organization and operation of the executive.

#### Presidential Elections

4.2. Acknowledgement of the right of each party to present a candidate of its own, provided that he unequivocally favors the existence of the coalition, a fact which should be shown by his profile and the process of formalization of the respective candidacy and it should also be confirmed by solemn and public statements by the candidates themselves.

4.3. There must be no formalization of candidacies to the Presidency of the Republic until July 1985, without prejudice to the selection of the respective candidates before that date.

4.4. Abstain, until the formalization of the respective candidacies, from engaging or fueling any polemics around the candidates and candidacies of one and the other, superimposing on possible party interests in that respect, even though legitimate, the need to insure the governmental and political stability of the country.

4.5. The waging of electoral precampaigns and campaigns of the respective candidates in public manifestations only as of July 1985 so as to strictly safeguard the coalition and the normal activity of the government and parliament.

6.1.4. Approval, in particular, until February 1985 of the Internal Security Law.

6.2.1.1. Introduction of a single tax on income.

This is the Way it is

Clauses of Development of the Political Agreement

2.2. Formal rejection of external alliances to its own coalition during the entire period of the respective period of validity with the exception of what may be decided in matters of local government elections in the future.

3.2. Reorganization of the Executive

They acknowledge, therefore, the desirability that at the proper time there will be a restructuring of the organization and operation of the executive.

Presidential Elections

4.2. They acknowledge the right of each party to present a candidate of its own who will not adversely affect the commitments resulting from the agreement of alliance.

4.3. A pledge to carry out possible electoral precampaigns until July 1985 in nonpolemic terms and which will safeguard the stability of the coalition and the normalcy of action of the government and parliament.

6.1.4. Approval, in particular, until March 1985 of the Internal Security Law.

6.2.1.1. Prepare the introduction of a single income tax.

6.2.8. Study of a plan for the establishment of indemnifications or expropriations of property.

8908

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POLITICAL

PORTUGAL

FLA LEADER PROTESTS RAPID DEPLOYMENT FORCE CREATION

Lisbon DIARIO DE LISBOA in Portuguese 19 Dec 84 p 5

[Text] The leader of the Azorean Liberation Front [FLA], Jose de Almeida, declared to NP [NOTICIAS do Portugal] in Ponta Delgada that the creation of a Special Rapid Intervention Brigade in the Autonomous Region "appears to be a challenge to the desire for democratic action for independence in the archipelago."

The Special Brigade, says the NP, now created in Lamego for intervention within a few hours in the Azores and Madeira, includes reconnaissance, field artillery, antiair defense and engineer organizational units.

Jose de Almeida is now preparing a document in which he establishes a special theory for the independence of the Azores.

This document will be delivered to the president of the government, Mota Amaral, during a meeting scheduled with the leader of the FLA.

Jose de Almeida, who refuses to see in that an intimidation with respect to the Azorean process, in a speech made recently in Ponta Delgada before nearly 500 Azorean nationalists advocated dialogue as a way of obtaining the independence of the archipelago.

The attainment of that objective has already been initiated with a meeting of nearly 3 hours between government minister General Conceicao e Silva and the leader of the FLA himself, Jose de Almeida, reports the NP.

In his speech, the FLA president stated his intention of establishing contacts with the institutions of the government of the republic and with countries interested in supporting the independence of the region.

Remember that within days the Budget of the State for 1985 will be discussed in the Assembly of the Republic and Azorean sources contacted by DIARIO DE LISBOA have admitted that the FLA maneuvers are nothing more than ways of exerting pressure ("more skillful than those of Joao Jardim") for obtaining more funds for the Autonomous Region.

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CSO: 3542/78

POLITICAL

PORTUGAL

#### POLL SHOWS PINTASILGO MAINTAINS LEAD

Lisbon 0 JORNAL in Portuguese 28 Dec 84- 3 Jan 85 p 13

[Text] In spontaneous terms, as well as in pollster-suggested terms, there were no significant changes during November in the relative positions of the "possible candidates" for the presidential elections, according to the Marktext/0 JORNAL survey.

Given the low number of times the names of Salgado Zenha, Almeida Costa and Garcia dos Santos were mentioned, those names were replaced by those of Alberto Joao Jardim, Lucas Pires and Pinto Balsemao. However, figures for these persons will only be presented for December because results are figured on an average for 2 months.

Therefore, referring to November, it is pointed out that in spontaneous, as well as in pollster-suggested terms, the name of Maria de Lourdes Pintasilgo continues to be in front in the survey of the "presidential hopefuls," garnering 10.7 percent in the first case and 23.6 percent in the second, which is another four points in both cases.

In second place is the candidate supported by Eanes (spontaneous references) 10.1 percent (three points fewer than in October), Mario Soares, (suggested references) the same percentage registered in the previous month (13 percent).

As we said, Salgado Zenha, Garcia dos Santos and Almeida Costa were not mentioned, but the name of Firmino Miguel, which suffered a decline in spontaneous terms (1.4 percent declining to 1 percent), remains in fifth place (7 percent) in suggested terms, behind Freitas do Amaral (11 percent) and Mota Amaral (9 percent).

It is pointed out, however, that 12.4 percent of those questioned replied that they "will vote for none of them" and 15 percent said they had no opinion or did not reply.

8908  
CS0: 3542/86

POLITICAL

PORTUGAL

## RUMORS OF IRANIAN INTERFERENCE IN LISBON MOSLEM COMMUNITY

### Agitation in Moslem Community

Lisbon A TARDE in Portuguese 26 Dec 84 p 3

[Excerpts] A member of the Muslim Community of Lisbon (CIL) affirmed that there are "sure signs of corruption" in the process initiated for the selection of the firm that is carrying out the projects in the Lisbon mosque. Isaac Sema, who stated that he represents a tendency within the Muslim community opposed to the leadership of the outgoing president, Suleiman Valy Mamede, called a press conference "to denounce the irregularities in the process of the selection of the firm that is carrying out a number of building projects in the Lisbon mosque." He also stated that the successive delays in the construction of the mosque are due to the "poor management" of funds received from abroad by the president of the Muslim community.

The Muslim community of Lisbon will elect its leadership for a period of 3 years on 20 January 1985, following the annulment of the May 1984 elections "for irregularities in their process." Two lists of candidates have been presented for the forthcoming elections; one is led by Suleiman Valy Mamede and the other by Mussa Omar. It is believed, however, that a third list led by Isaac Sema will be presented as well.

At this time, the Muslim community, according to its leadership, numbers approximately 15,000 members.

### Admonition to Community President

Lisbon O DIABO in Portuguese 1 Jan 85 p 6

[Text] You deserve it, Valy Mamede! Who told you to let the representatives of Iran in Lisbon deliver speeches at the mosque? Weren't you the one who allowed them to make the harangues that are fomenting trouble in the Muslim community of our capital? Of course you were. Now, you are being rewarded for it. They have begun to prepare your grave, to present themselves as an alternative to your leadership, accusing you of this and that. It is even being said, among the Muslims who live here, that evil for evil, better Valy than the ayatollah's men. According to what I have been told--I have an Arab friend--there will be a lot more to the "holy war" that is being waged here.



POLITICAL

PORTUGAL

## IDEOLOGICAL DIFFERENCES CAUSE EXTREME LEFT TO LEAVE PC(R)

### Main Ideologue's Resignation

Lisbon O JORNAL in Portuguese 14-20 Dec 84 p 14

[Article by R.R.: "Chico Martins Rodrigues: The 'Cunhal' of the Extreme Left Withdraws from the PC(R)"]

[Text] Francisco Martins Rodrigues, the main ideologue of the extreme left in Portugal, left the PC(R) [Revolutionary Communist Party] together with 40 other members, among whom are Jose Borralho and Francisco Rosa, members of the Executive Committee of the Central Committee elected in the last Congress of that party.

The process of this withdrawal, which in the case of Martins Rodrigues was made official by means of a letter at the end of November, is still confused and is far from being concluded.

A UDP [Popular Democratic Union] leader told us that despite the affair having nothing to do with his party, it is however supportive of the PC(R) for having expelled from its ranks such leaders as Martins Rodrigues. According to the same source, the ideologue of the Portuguese extreme left had been expelled by the rank and file cell.

The last BANDEIRA VERMELHA (organ of the PC[R]) accused the expelled members of "advocating theories leading toward Trotskyism and against Marxism" and of being "divisive" and "dissentious." The withdrawals, however, are not an accomplished fact, because the situation is still confused and there will be a debate on domestic and international problems. That debate will deal with particular emphasis on the regime of Albania, where Eduardo Pires, one of the leaders of the PC(R) went recently for the commemoration of 40 years of existence of the new Albania.

According to our UDP source, what those who withdrew were trying to do was destroy the party and impose the hegemony of the working class to the detriment of popular unity.

According to BANDEIRA VERMEHLA, the 10th plenary session of the Central Committee held this month ratified "the expulsion and separations made by the cells and committees of those elements who did everything to undermine and divide the party and excised from their ranks a cancer which for many years fed on our errors."

#### "Conciliatory" Albania

According to sources linked to the separated elements, who served as a support for the information provided by ANOP, the break (one of the many which both the PC(R) and the UDP have been subjected to in recent years, is linked to the foreign policy of the Party of Labour of Albania, the only ideological reference of the PC(R) after having removed China from its horizons. The differences attain a specific expression in the denunciation of the improvement of relations between Tirana and the western democracies, a relationship characterized by the recent reception with semiofficial honors of the minister-president of Bavaria, the conservative Joseph Strauss.

#### Who Martins Rodrigues is

Chico Martins Rodrigues is the ideologue who marked the great break in the Portuguese Marxist left when he left the PCP [Portuguese Communist Party] early in the decade of the 60's, party in which he became a member of the Central Committee--a sort of dauphin of Cunhal to the point that the latter, shortly before the break, had invited him to remain in Moscow as his secretary.

The break, however, reached its consumation with the presentation of a text which was the guideline for the development of the Portuguese left in the following 2 decades: "Political Struggle and Armed Struggle Within our Movement." The report was signed by Campos, the pseudonym he used in clandestinity. He left the PSP and founded the CMLP [expansion unknown] and FAP [Popular Action Front] in 1964. He was arrested by the PIDE [International and State Defense Police] in 1965, after police informer Mateus was killed in Belas. In prison with Ruy d'Espiney, he wrote a document which was a painful self-criticism. It was he who from prison wrote the first program of the PCP-ML [Portuguese Communist Party-Marxist Leninist]. Also from prison he maintained relations with "The Bolshevik," Bento Vintem. Also in prison, he founded the CARP-ML [Committee of Support for the Reconstruction of the Party-Marxist-Leninist] in 1973.

He wrote decisive texts for the radical Portuguese left about the peasants, agrarian reform, the policy of unity of the PCP, the isolation of the fascist unions, the colonies and the international communist movement in REVOLUCAO POPULAR. He was so important as an ideologue that the Chinese in their golden days of revolutionary purity considered him, along with a Belgian, the revolutionary exponent in bourgeois and revisionist Europe. Is the withdrawal of Chico Martins Rodrigues the shock, the death rattle, or is it the extreme left that wants to kill its father?

PCR(R) Secretariat Member Interviewed

Lisbon O JORNAL in Portuguese 21-27 Dec 84 pp 8,9

[Interview with Eduardo Pires, member of the PCP Central Committee Secretariat by Henrique Monteiro; date, time and place not given]

[Text] O JORNAL: Among the many groups which claimed to be communist or Marxist-Leninist, only the PC(R) remains with some influence. What is it that moves you?

Eduardo Pires: An attempt is made to make you believe that this or that party appears because of the desire of certain persons moved by ambition. The question you ask me appears to be of that sort of reasoning. The truth is something else: Society is divided into classes. These classes fight among themselves moved by their interests; that is why there is a need for each class to organize into its own party...

[Question] Does that mean that you consider yourselves to be the party of the working class?

[Answer] Precisely. The PC(R) arises as a need the working class has for political representation of its own interests. That way, during the revolutionary period, the working class and the poor strata of the people demanded houses and occupied empty houses. The agricultural proletariat wanted land and occupied it; the working class advocated the arrest of the PIDE and arrested them; it demanded the control of factories, the existence of soldiers' commissions, the end of parasites and middlemen. It demanded that the Americans and the imperialist powers leave the country and their military bases, and that NATO leave Portugal. They fought for a free country without foreign dependency, namely on the USSR. These interests were never defended by any party. It was in this upheaval that the Marxist-Leninists, encouraged by the pure ideas of revolution, formed a revolutionary faction in Portugal, particularly based in the large companies and industrial centers and on the islands, particularly Madeira.

It was thus that the old Communist Party of Catarina and Jose Gregorio reemerged in Portugal.

"The PCP Represents the Petit Bourgeoisie"

[Question] The PC(R) not only presents itself as the party of the working class but also as the heir of the PCP. However, what is it that differentiates you from the PCP?

[Answer] I would like to say also: Why is it that our party did not disappear and remains indestructible, unlike other organizations about which no one hears any talk anymore? That is due to our loyalty to Marxism-Leninism. We continue to raise the banners of Marx, Engels, Lenin and Stalin very high.

We advocate a true revolution in Portugal based on popular unity and led by the proletariat.

[Question] But the PCP calls itself Marxist-Leninist and is linked to the proletariat...

[Answer] Well, it is usual to give the idea that between us and the PCP there is nothing more than a fight among comrades. Some workers asked us why we do not merge. The bourgeoisie, capitalists and imperialism, in their desire to make the proletariat pay for the crisis, unleash repression on it and attack the PCP as if it represented the interests of the working class itself. Other more cunning sectors of the liberal bourgeoisie have another manner of dealing with the PCP. They say they respect it and seek its support for solutions of power which will effectively defend the regime and the institutions, like, for example, the Eanist faction. Others say that it is Stalinist. However, the bourgeoisie seeks only that the PCP become more and more an ally cooperating with the Portuguese bourgeoisie and less linked to the interests of the USSR.....

[Question] Up to now you have only spoken about how from your point of view the bourgeoisie treats the PCP. However, the question was about the differences between the PC(R) and the PCP.

[Answer] But that is it. The PCP is the representation of the interests of the petit bourgeoisie, which consists of very active sectors of the worker aristocracy, the union bureaucracy, technicians and company management, who for historical reasons have influence among the Portuguese proletariat and achieved great prominence in the nationalizations accomplished by the government of Vasco Goncalves. These were nationalizations that were not made by a state led by the working class and they came to strengthen those sectors.

There is an antagonism of principles between the PC(R) and the PCP, an antagonism of ideology and objectives, which becomes a class struggle for dominance within the working class. Politically that results in questions such as this one: Why did the PCP not support the fight in the streets and even the manifesto of unity against the fascist security law? Because they did not want--and they could not--become involved in a struggle the bourgeoisie slandered as a movement which advocated terrorism. And because it did not want to be accused of laying seige to Parliament, of being with one foot in and one foot out of Parliament. The PCP subordinated the interests of the people, seeking to limit the discussion of that fascist law to Parliament.

[Question] Does that mean that for you the PCP is a party of the regime, while the PC(R) is against the regime?

[Answer] Exactly. The PCP fights against the government, for its immediate downfall, for reasons that are different from ours. For the PCP that government should be replaced by another called democratic, including liberal sectors (even from the CDS [Social Democratic Center Party] as one of its leaders said during an interview) in order, as they say, to better defend the institutions and the regime. Our position is that this government must fall so that better conditions may be created for the people to struggle, to increase their political awareness. That is why we advocate the merger of all struggles in the sense of a great movement for a general strike, for defending their immediate interests, for creating a working class awareness that will make it see that true freedom and true democracy cannot be possible under this regime.

#### Our Objective is Revolution

[Question] Your objective, then, is revolution. But how can such a small party aspire to make a revolution?

[Answer] It is obvious that we fight for immediate reforms that will improve conditions and the prospects of struggle for our people. But we do not forget the following: This immediate struggle has to be viewed in the perspective of the final interests of the working class, which is revolution-- a people's republic on the path of socialism. But, how can such a small party claim the leadership of this revolution, they ask me...? Well, that does not depend on the will of a person or a party. We have the example of the period subsequent to 25 April in which with the revolutionary crisis, the government could not govern as before and in which period it was necessary to bring about a great social transformation. It is necessary that the working class have a party which knows how to respond to fundamental needs in a situation like this.

[Question] What are your relations with the UDP?

[Answer] They are very clear, as can be seen from the documents of the PCP and the UDP. They are relations of a great unity of interests and objectives. We support the UDP and we lend our militant efforts so that the UDP may continue in that direction. The UDP has the objective of uniting the people against imperialism, against poverty, against the intents of the bourgeoisie to make the people pay for the crisis, against repression, against the return of fascism. Our party supports the UDP, naturally. The PC(R), which has its own policy, must support the UDP, which has a program with which we agree.

[Question] But they are different parties?

[Answer] Obviously.

[Question] Are there leaders of the PC(R) who are leaders of the UDP?



[Answer] I said we made militant efforts in the UDP. Whether personnel of the PC(R) are or are not legally in the UDP is not a matter for discussion here.

Chico Martins: Trotskyite-Anarchist

[Question] Throughout the 9 years of life of the PC(R) there were three splits. The first nearly 5 years ago; the second, 2 years ago; and now the withdrawal of an important person of the faction called Marxist-Leninist: Francisco Martins Rodrigues. What is happening in the PC(R)?

[Answer] An attempt was made to create the idea that there is an internal fight in the PC(R) which is making it devour itself. It is obvious that the class struggle in society is also manifested within the party through the different ideological concepts. If they assume an antagonistic nature, they cannot coexist. The PC(R) has attained great experience in the fight against these trends, which strengthens the party. When the PC(R) was formed, there came petit bourgeoisie factions driven by idealism and even by opportunism. Faced with difficulties, those sectors sought another form of expression--some, even in the right. It was the first division (although we do not ignore the tactical errors of the leadership). Later, other sectors sought to divide the party. The first two divisions did harm the PC(R) but this last one did not cause any harm because we learned from the past.

[Question] But ideologically, as you say, how would you describe the positions of Francisco Martins Rodrigues?

[Answer] They will revive theories well known 50 years ago with a new language. I would say that it is a faction of a Trotskyite-anarchist type.

8908

CSO: 3542/77

POLITICAL

PORTUGAL

# SOVIETS BLAMED FOR POOR RELATIONS WITH ANGOLA

Lisbon DIARIO DE NOTICIAS in Portuguese 19 Dec 84 p 6

[Editorial: "Poisoned Relations"]

[Text] Nine years after Angola obtained its independence, the relations between Lisbon and the regime in Luanda continue to be difficult and from time to time tense, and above all blocked.

First of all there was the way in which independence as such came about. This independence was won at the peak of the civil war, with the three signatories to the Alvor agreements on the Angolan side seeking leadership of that independence, which placed Portugal, as the former colonial country, in an obviously embarrassing and delicate position. Thus it was that recognition of the regime in Luanda by Lisbon came late, and when other countries, led by Brazil, had already granted it. The MPLA and the government it produced will never forgive us for the delay and the hesitation.

Be that as it may, the process thus initiated in an uncomfortable atmosphere was in the end to lead to a period of clarification thanks to the rapprochement between Ramalho Eanes and Agostinho Neto, as a result of which it began to be possible to view the future with open optimism. The truth is, however, that with the death of the Angolan president and founder of the MPLA and the rise of Jose Eduardo dos Santos to power, there was a clear reversal of the process under way and again a climate of unease developed, with an occasional, always temporary, lull. Far from having expanded and been extended to other sectors, the cooperation begun between the two countries has clearly dwindled, being practically limited currently to that related to the presence in Angola of the Portuguese cooperative workers that country still needs.

What reasons does the Angolan government give for this cooling of contact, and what reasons does it cite to explain its resentment, its obvious mistrust of us? Luanda uses the UNITA [National Union for the Total Independence of Angola] as the main justification for its complaints and its charges against Portugal, and in particular, the "coverage" which in its view the activities of that organization are given by the Portuguese media.

Now whatever the case, the fact is the UNITA exists. It already existed as a movement even prior to independence. It sat down at the negotiation table and signed the Alvor agreements pertaining to this independence. In a country such as ours, where, fortunately, there no longer is any censorship, the Portuguese government has no right to interfere in what the media, even the

state-controlled media, cover. On the other hand, these media have no right to interfere with the constitutional right of the public to information. This is something which the Angolan authorities do not appear to understand, despite its straightforward simplicity.

And as to the presumed support which Luanda charges that the Portuguese authorities have provided to Jonas Savimbi's movement, it is important, apart from the fact that this has been officially denied by Lisbon, to remember that we do not even have here any legally functioning representation of the UNITA, as is the case, for example, in Paris. Now this fact did not prevent President Jose Eduardo dos Santos from paying an official visit to France during his recent European tour, when he made a point of ignoring Portugal.

Thus it seems that there can be no doubt that there are truly some who are dedicated to weaving and nurturing a plot against Portugal where the regime in Luanda is concerned. In the view of the foreign minister, it is the Soviets who, if not solely responsible, at least share the blame for this maneuver designed to poison Portuguese-Angolan relations, resulting in fact "in a decline in the intensity of relations between the two countries, which serves neither the interests of Portugal nor the Angolans."

It would be well for the reasons and the proof to be clearly and openly brought forward, in order to allow a clarification of the situation, to the certain benefit of the two peoples and the two countries.

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CSO: 3542/76

POLITICAL

PORTUGAL

BRIEFS

REQUEST FOR ECNR MEMBERSHIP--Portugal will soon make an official request for membership in the European Council for Nuclear Research [ECNR], membership which has been requested by Portuguese university professors and scientists. The ECNR, which has its headquarters in Geneva, is a nuclear research organization which has the objective of insuring collaboration among European states for performing nuclear research of purely scientific nature and excluding activities for military purposes. The membership request by Portugal is going to be made official on the initiative of Jaime Gama, who has been made aware of the question by Portuguese scientists. The entry by Portugal into the ECNR will benefit the Portuguese scientific community in several areas and will open new prospects for national industry, said a Ministry of Foreign Affairs source. [Text] [Lisbon O DIA in Portuguese 11 Dec 84 p 13] 8908

PROSPECTIVE 'PEACE TRAIN'--The peace and disarmament group of Saragoca intends to lease a train to travel the route from Lisbon to Moscow with the slogan "For a Europe Free of Nuclear Weapons," it was reported yesterday by sources of this group. The plan was already presented on various occasions and has the support of several entities, among which is the Association for Human Rights, the Municipal Chamber of Saragoca and the coordinating committee of pacifist organizations. This initiative is within the context of the commemorations of International Youth Year. Its main goal is "to bring the people of the East and West closer together, overcoming the idea of the aggressive foreigner which justifies the thinking behind military blocs, the arms race and the installation of increasingly sophisticated nuclear devices," according to the peace and disarmament group. If the plan is put into effect, the train will carry 1,500 persons and will depart from Lisbon early in July. Throughout the month it will tour the main countries of Europe with stops in Madrid, Saragoca, Barcelona, Lyon, Turin Zurich, Munich, Vienna, Budapest, Bucharest, Odessa, Kiev, Moscow, Warsaw, Berlin, Brussels, Paris and Madrid, with return to Lisbon. [Text] [Lisbon DIARIO DE LISBOA in Portuguese 19 Dec 84 p 20] 8908

SOARES' CREDIBILITY IN DOUBT--The speech to the country made by the prime minister a week ago maintained the hopes of the Portuguese, who found Mario Soares firm in his speech although they did not believe it completely. These are the results of a survey made by Norma after the Mario Soares speech on 5 December: 48 percent of those questioned did not believe the words of the prime minister, compared to 37 percent who believed them partially and 14 percent who believed them completely. The survey, which included 400 interviews in the zones of Greater Porto and Greater Lisbon of persons older than 18, concluded that 65 percent of those questioned maintained hope, while for 20 percent, hope increased. Fifteen percent of those questioned believed that their hopes were diminished by the speech of the prime minister. For 57 percent of those questioned, the speech by the prime minister was a "speech of hope," while 40 percent declared that it was a "pessimistic speech." Three percent of those questioned had no opinion. The opinions of those questioned as to the firmness of the prime minister were divided almost evenly: 50 percent believed Mario Soares was firm in his speech and 49 percent of those questioned expressed an opposite opinion. One percent of those questioned had no opinion. The interviews of personal nature were made with a prepared questionnaire. [Text] [Lisbon DIARIO DE LISBOA in Portuguese 19 Dec 84 p 5] 8908

CSO: 3542/78



POLITICAL

SWEDEN

PALME, BILDT DEBATE SOVIET REGARD FOR SWEDISH NEUTRALITY

Palme Cites 'Dangerous Criticism'

Helsinki HUFVUDSTADSBLADET in Swedish 9 Dec 84 p 12

[Interview by Larserik Haggman]

[Text] The Prime Minister of Sweden, Olof Palme, believes that the same groups in Sweden which called for Sweden to threaten to join NATO during Finland's crisis are now saying that the Soviet Union does not respect Swedish neutrality. This, he claims, is "an extremely dangerous course" which "undermines the foundations of the neutrality policy."

In a recent book the Soviet researcher Lev Voronkov discussed both Swedish defense and the role of the Baltic Sea with respect to a nuclear-free zone. Does Sweden view this as a command?

"No, I don't believe that Voronkov is particularly significant in this regard."

Palme also noted a number of pokes at Swedish neutrality.

But the Baltic...Voronkov links it to the relations between the great powers, divorced from [the issue of] the zone.

"He does indeed do this, but I understood that this is not the official line of the Soviet Union."

"We Determine It Ourselves"

Swedish defense is still subject to criticism. Ties to the West can be questioned, as can the level of defense.

"We have always heard things like this. Over the last 30 years that I have been around, the Soviet Union has been wondering, on the one hand, why we spend so much money on defense, and why we purchase so much materiel from the West.

"This is nothing new, but it is still clear that, as far as Swedish defense policy is concerned, we determine it ourselves. We do not need any prodding.

The Conservatives have attacked the Social Democratic government with extraordinary ferocity on the defense issue at, among other things, their convention. Is this an ordinary political exchange or a real confrontation?

"It seems as if, now that an opportunity has presented itself, the Conservatives are going to stab us in the back on security policy. We can't rely upon them in that area.

"The dangerous thing, however, is," says Palme, and he weighs his words here, "that there are a number of groups in Sweden which only pretend to support Swedish neutrality policy.

"But it is claimed that the USSR will not respect our neutrality policy."

"A Dangerous Course"

"This is extremely dangerous because it undermines the foundations of the neutrality policy.

"The cornerstone of this policy is that the superpowers respect it and will continue to do so."

Palme was not able to point to any unexpected conflicts which would indicate that anything has changed in this regard, but he says:

"This is an extremely dangerous course. We must make it clear that neutrality will not be compromised and that we assume that the major powers respect it. Otherwise the rug is pulled out from under us."

Palme cites an example: 1961 when Finland received its note and when Kekkonen made his famous trip to Novosibirsk.

"In those days we had pretty poor contacts with Finland. Our own Foreign Minister, Osten Unden, was in New York," says Palme.

He remembers how his predecessor, Tage Erlander, the head of the political section in the Foreign Ministry, and he sat in the chancellery in Stockholm and pondered.

"We talked about what we should do."

Kekkonen Said Thanks

Certain Swedish newspapers were very eager, says Palme, for Sweden to threaten:

"If the USSR does anything to Finland, Sweden will join NATO," they wrote.

Instead the Prime Minister made a statement several lines long, saying:

Sweden will hold fast to its neutrality policy. Period.

This elicited expressions of thanks from both Urho Kekkonen and Karl-August Fagerholm as being exactly what they had wanted.

Palme emphasized the lesson to be learned from this. It is, in his view, an unmistakable lesson. A basic stability in the neutrality policy of both Sweden and Finland.

"In principle, the same groups who wanted Sweden to threaten [to join NATO] now claim that the USSR does not respect Swedish neutrality."

Palme emphasizes that the Swedish government and the Social Democrats have no reason to say this.

#### "Clear Statements"

"The reason is that we can point to the very clear statements made by the Soviet side in this regard, and we also believe that this [respecting of the neutrality policy] is clearly in the Soviets' interest."

Does the government view this as an attempt on the part of the Conservatives to make this a major issue for confrontation, an election issue?

"They have made security policy a major issue, and I think that is unwise of them. Now they seem to be backpedalling, for the time being."

But, Olof Palme, when you talk about the Conservatives undermining the foundations of Swedish neutrality policy....

"When they do that, that is what they are doing. And they have done it before."

#### "Constant Sniping"

Does this mean that a nonsocialist government, for example, would pose a risk to the neutrality policy?

"In the first place, there is a clear national majority in favor of the traditional neutrality policy, and in the second we will win the election."

Did the administration of the nonsocialist government cause any change, however, in the emphasis of Swedish security policy?

"Nothing, really, except that the Conservatives carried on constant sniping against the centrist government."

How does the Swedish government interpret the fact that the Swedish periodical press has been providing information in connection with the Gotland aircraft incident which did not come out during the minister's visit to Moscow just before that?

"The material is not of such value that the Swedish government should comment on it."

#### Impact As Far As the Baltic Sea

In recent years there has been talk to the effect that when after the Second World War the Soviet Union's security interests shifted southward to the sea areas close to the German Plain, the repercussions from this move extended back northward later on. Does Sweden agree with this view?

"Only to the extent that the interests of the major powers in northern Scandinavia has obviously increased."

Is there any linkage to the Baltic area?

"You can imagine the waves, but as regards the northern area, it is the Soviets' only port, and it is obviously sensitive."

#### Bildt Says Soviet Message Clear

Helsinki HUFVUDSTADSBLADET in Sweden 9 Dec 84 p 12

[Interview by Larserik Haggman]

[Text] The number-one security policy spokesman of the Conservative Party, Carl Bildt, sees an unambiguous message from the Soviet Union to Sweden, especially during the 1980s. It is that Sweden's defense is too strong and that its neutrality policy should be more active. He emphasizes that the seriousness [of the message] arises from the combination of an increasing number of prods from the Soviets [in this direction] and "the silent war in our skerries."

Since the beginning of the 1970s, Carl Bildt believes that there has been a slow, gradual change in the strategic importance of the Northern European and North Atlantic areas. The increase in tension must be seen in the larger context, but we should not, according to him, look just at Sweden, or just at the Nordic area, and to some extent this has been a dramatic change.

"It may be that we note this in abrupt stages: the status of negotiations, the submarines [submarine incursions] and prods from the Soviets, but it all fits together."

Prods. Have they increased in number?

"Yes, no doubt about it."

Bildt points to Voronkov's book, with 22 pages of criticism of Swedish neutrality, which is viewed as "antiquated." He admits that it is impossible to discuss how representative the author is, but points out that the editorial board responsible for this series of books is made up of members of

the foreign-policy establishment of the CPSU [Communist Party of the Soviet Union].

But what is the official view then?

Pressure

"It does not need to be a conflict. Gratitude which is expressed out loud can be combined with pressure tactics."

Do you think that the Soviet Union is trying to pressure Sweden to do something, then?

"It is prodding us."

For what purpose?

"What Voronkov says, and Arbatov says it too, is that Sweden's neutrality should be more active, more in the service of peace, as they say. This is the message, combined with a toning-down of defense."

"Dethaer is a pretty unmistakable message, especially in the 80s."

At the Foreign Ministry and among government circles, however, they are letting it be known that there are no signs that the Soviet Union has changed its position with regard to the idea that it is in the Soviets' interest for Sweden to have a strong defense. Do you disagree with this?

"I think that is wrong. Or, rather, that we can't know that for sure. But today the Russians are saying something different from before."

Bildt says that in the past there were Soviet statements supporting a strong Swedish defense, but since the end of the 70s there has only been criticism.

"We must take note of this, even if, as usual, we know nothing about the assessment underlying it."

Defense Per Se

In your view, does this apply to defense per se, or to ties to the West?

"Defense per se, because the ties have not changed."

With regard to the JAS, the opposite is claimed.

"We can, of course, discuss the issue, but our defense is, in point of fact, less dependent on imports than that of any other European neutral power. In the 1950s the Swedish Air Force was more dependent on the West than it will be in the 1990s."



From the Conservative side you have subjected fairly severely criticized the Swedish Government's handling of current issues.

"We have had a number of disagreements."

None of them basic?

"Over the long run the disagreements should not be exaggerated."

Bildt points to differences between Sweden and Finland. He emphasizes that Finland has always had to live with certain central security-policy problems and has been able to handle them. Sweden has long believed that it did not have any problems and has conducted a moralizing debate about the rest of the world.

#### Abrupt Shift

"Now that we have developed our own problems, the shift to greater realism has taken place in a somewhat abrupt fashion."

Then, in the Conservatives' view, how should the Swedish Government have handled the situation and its relations with the USSR?

"The war of words in question here pertains to the silent war in our skerries against systematic, extensive submarine violations [of our waters]." Bildt points to the combination of the submarine issue and the prodding.

"That makes it a serious matter. It is possible that the government should have reacted more quickly and tried to build a consensus of Swedish public opinion around a very definite course of action."

Bildt has also noted a certain change for the better in the Social Democrats' line.

#### Palme's Speech

What do you mean in particular? The attitude toward defense or....

"That specifically. Palme's speech to the convention was very close to what we have been saying."

Bildt sees here a clear Nordic linkage and views Nordic stability as being heavily dependent on a strong Swedish defense.

As regards Swedish signals, with the cancellation of visits, etc., he thinks that people have at times gotten the impression that the Swedish Government is a bit over-eager.

When the discussion turns to the difference between the Conservatives' and the Social Democrats' definitions of neutrality, he claims that there are

no differences regarding the course of action to be taken. There are differences, however, as regards the development of details of foreign and defense policies.

"There have obviously been differences in approach to defense issues, and now we don't know what policy the Social Democrats will adopt over the long term, even if Palme's remarks at the Social Democrats' convention were the strongest he has made to date."

#### Questions Are Being Asked

Bildt does not believe that the issues of security and defense will dominate the election campaign. On the other hand, he thinks that the voters will ask questions in a completely different way than before.

"Defense issues are more important now than they have been for a long time in Sweden, and we are witnessing a great deal of confidence in our policy, which has concentrated on this area, while the Social Democrats have been concentrating on disarmament."

Today Swedes are subject to the military draft, as are the Finns. This was not the case, says Bildt, 10 years ago, and issues of defense are arousing more and more concern among the voters.

#### National Consensus

But the ties between the Swedish Right and the West: how do you yourself view them? Integration, including attitudes.

"The broader party contacts of both the Social Democrats and the Conservatives have certainly had the effect of bringing about an integration of attitudes. Economic integration is not yet at hand. This is not, however, of significance to security policy, either for us or the Social Democrats."

Bildt does not want to exaggerate the effect on the economic debate. He wants to be careful over the long term, however, and says that there is an urgent need for a national consensus in the area of security issues.

#### Palme Attempting Balancing Act

Helsinki HUFVUDSTADSBLADET in Swedish 9 Dec 84 p 12

[Commentary by Larserik Haggman]

[Text] Despite the fact that at one point the Swedish debate on security policy was constantly a debate of the justification for Finnish unease in a situation where clear moderation has characterized the mood in Sweden, the recent reports of the parties being on a collision course in the area of defense has revived the conflicts of recent years.

At the Social Democratic convention in September, Prime Minister Olof Palme felt it necessary to take a very hard line in the area of defense and also to show "a sort of implacability toward the Soviet Union." This move, which Palme himself called one of his most important speeches, has led observers in Stockholm to speak of his "making allowance for" or "concessions to" public opinion.

These same observers, who have long noted that the Palme government has been doing a sort of balancing act between an aroused public at home and its desire for an active security policy characterized by detente, now point to the riksdag [parliament] elections next fall and to the public opinion [poll] figures.

Other observers emphasize that the balancing act is still very clearly being conducted when, in the same speech, Palme rejected all forms of diplomatic protest associated with official trips and visits.

#### Moderate Toning-Down

In keeping with Palme's remarks, most noted a clear toning-down in the opposition policy of the Conservatives. Carl Bildt, who has emerged as the Prime Minister's most prominent opponent, was said by many to have played a mediating role at the Conservatives' Convention in late October-early November.

The leadership of the Conservative Party is said to stand behind Bildt 100 percent in this regard and is obviously not eager to make security policy a major election issue. It seems clear, on the other hand, that the party will try to press the defense issues very hard despite the fact that the convention rejected the demand of the younger members for specific percentage-point increases.

For some time since then, the DAGENS NYHETER has been in a position to provide information from a highly placed source in NATO headquarters which indicated that the Soviet Union was attempting by various means to show that the Swedish defense effort was no longer sufficient to defend its neutrality policy and that the way for Sweden to go was to enter into some kind of agreement with the Soviet Union.

For the Conservatives the views on what is happening seem to be fairly clear. They are equally clear for public opinion and the press. The answer is considered to be just as clear for the right: a strong response at this stage. No official voices have been noted from this quarter calling for a commitment to NATO in any form.

#### Official Precision

The Swedish Government has been fairly precise in its official line. There are several documented cases of Soviet incursions, several cases with strong indications [of territorial violations] but nothing more.

Observers in Stockholm say, however, that it is quite clear that the Social Democratic government in Sweden is unofficially convinced that extensive Soviet operations have been and are being conducted.

A well-placed source says that on several occasions people within the government thought that they could put an end to the incidents by exercising moderation and caution. As regards the question of whether this is the case or not, the opinions are sharply divided.

Among the Social Democrats there have traditionally been two approaches to security and defense issues. The more classical approach calls for a strong defense, while the other approach regards politics as the prime instrument.

Observers claim that the classical approach has gained the upper hand recently, marking a reversal from the 1970s.

It is considered quite certain, however, that next year's election and the domestic-political line-ups will affect this issue. Or, to quote an articulate observer: Swedish foreign policy is an extension of Swedish domestic policy.

#### A Question of Tactics

Therefore it is believed that there are certain disagreements within the Social Democratic leadership as to whether it is tactically correct to seek to do battle with the moderates over questions of security policy. On the one hand the party is said to want to downplay the issues. On the other hand, it is said that it may be of some use to foreign policy to maintain the tensions with the Conservatives.

For the Conservatives the observers claim that the issue is not particularly urgent. In addition, the Social Democrats are winning some of the disputes between them, but their position on issues of defense and security is considered to be so clear that in this light the issue is of no significance.

One observer thinks that an aggressive approach to the Conservatives could be made in order to steer the Soviet criticism in that direction and indirectly give Palme more maneuvering room, which is regarded as limited due to the aroused state of domestic public opinion.

For this reason some observers claim that there is irritation in Stockholm over Finnish statements because they may hamper diplomatic and political operations. By the same token, the government is holding fast to the line that the official Soviet signals are unambiguous and have not changed, and it charges the Conservatives with undermining confidence in neutrality.

Some also claim that the Finnish expressions of concern are a manifestation of a need to make themselves heard in a situation where their two bordering countries' relations are not on an even keel.

#### Direct Information

At the same time both Palme and Foreign Minister Lennart Bodstroem give assurances that Finland's concerns are understandable and are not viewed as criticism. Nevertheless, they do see a need for a direct exchange of information and Under-Secretary of State for Foreign Affairs Pierre Schori is being dispatched to Helsinki next week.

Regardless of this, there is strong agreement among observers that Palme will continue to give priority to the traditional Swedish approach in this matter and will continue the balancing act in order to attempt to restore relations to a functional level.

CSO: 3650/127



POLITICAL

SWITZERLAND

# GREEN MOVEMENT SEEKING ACCOMMODATION WITH INDUSTRY

Helsinki HELSINGIN SANOMAT in Finnish 16 Nov 84 p 31

[Article by Lauri Karen: "Fear of Pollutants Worries Switzerland; Ecology Party Works in Harmony with Economic Development"]

[Text] Geneva—How are they wiping things clean in Switzerland? Just fine, thanks.

Three-quarters of William Tell's descendants are quite satisfied with their existence, walled off from the turmoil of the rest of the world.

There is money. While it does not necessarily make people happy, it at least makes life more secure.

Opinion polls, however, reveal that certain aspects of development are gnawing away at the minds of the Swiss too. One of citizens' cause for concern rises clearly above the others. And that is the threat of air and water pollution.

The second most important concern? The danger of the destruction of the countryside. And the third? Noise and stress.

The fear of losing one's job and home, which gnaws away at people's innermost feelings almost everywhere, occupies a categorical fifth place on the Swiss' list.

In this way the Swiss' "worry meter" has for 10 years now mirrored the feelings of a population that still lives close to nature. The order of the items on the list is almost as old as the ecological movement that is influential in the country and which has behind it 15 years of spontaneous activity.

## They Do Not Want to Join the Government

It was only in the spring of last year that the ecological parties of some of the cantons joined forces to form Switzerland's Federation of Ecological Parties (FPE), which is now after a fashion the national ecological party. The parliamentary elections held shortly after its founding resulted in four ecologists' joining the ranks of the 200-member national council in Bern.

From the start, the FPE has embraced the idea that it does not even want to get into the federal government because that would mean that the policy of consensus in which Swiss democracy is rooted might be "compromised." Otherwise its policy is quite open — it is ready to discuss those matters close to its heart with anyone whomsoever without restriction.

It is at present, among other things, initiating a round of discussions with economic leaders on Switzerland's long-range objectives so that "no one can claim that it has been taken by surprise." It is indeed certain that the Swiss economy's big international companies, like Nestle or Brown Boveri, do not like the ecologists.

#### "Complete Centralization Is Un-Swiss"

The tendency to strive for heavy, first-line technology production structures, which quite simply requires administrative and economic centralization, is a constant target of Swiss ecologists.

"Talk of economic efficiency too often conceals a desire for complete centralization, the notion of magnitude. This is not a Swiss value; it is foreign to our traditions," said FPE chairman Laurent Rebeaud, sent to Bern as a member of Parliament on the Geneva Ecological Party ticket.

"In this sense we are Swiss conservatives, defenders of local courts authorized to try high officials and decentralization."

Thus the Swiss ecological movement is firmly grafted onto the nation's traditions and world of ideas, and it employs the kind of language every Swiss understands.

If we disregard that branch of the ecological movement that employs tough tactics in the style of the West German Greens in the extreme-Left districts in the highly industrialized cantons of Zurich, Basel and Bern, the activities of the ecologists are marked by a noteworthy kind of pragmatism — also a truly Swiss trait.

#### No Green Pacifism

Thus the ecologists in general do not have the slightest desire to challenge the national Army, which is part of the country's basic nature. No Green pacifism threatens Switzerland's determination to defend itself.

Political criticism is, however, leveled at the choices of certain weapons, among them the proposed purchases of 380 heavy Leopard 2 tanks. As the ecologists see things, it would be preferable to stick to antitank projectiles rather than raising walls composed of their own tanks that throw the countryside into chaos in order to stop enemy tanks.

Thus also in hot issues like the problem of nuclear power plants, the ecologists have adopted a politically cautious stance despite their principled opposition to them.

Let them put up nuclear power plants, they say, where the local population approves of them considering it in their interest to do so, but let us oppose them where the local attitudes are clearly hostile to them. Practically speaking, two power plant projects involve the latter group: Kaiseraugst's Basel site and Verbois' Geneva site, which have been the subject of much talk in Switzerland.

As ecologists, the Swiss are far from being idealists. "We are not against economic development," Rebeaud said. "We are not so narrow-minded as to want Switzerland to deal itself out of the international competition.

"But we want the kind of development that takes no space, that does not daily bury an area the size of two soccer fields with concrete. We feel that only heavy industry, not industry per se, is a danger. It would be stupid to set ourselves against Switzerland's own interests."

They downright wish the information society welcome, but on one condition. It ought to help local and regional development, but under no circumstances create a situation in which its concentrated power would be used to control citizens' lives.

There is probably no longer any political activity involving ecological issues in only three of Switzerland's 26 cantons and half cantons. Ecologist strength at the national level is at the present time perhaps on the order of from 5 to 10 percent and it appears to be certain that it will continue to increase in the near future.

One reason for this is the fact that the country's traditional big parties are no longer attracting young people in particular as much as they did before. This has found a more natural channel for expression in the ecological parties.

11,466  
CSO: 3617/32

MILITARY

EUROPEAN AFFAIRS

DANISH DEFENSE MINISTER: DENMARK VITAL FOR NORWEGIAN SECURITY

Oslo NORGES FORSVAR in Norwegian Nov 84 pp 16-20

[Article by Hans Engell, Defense Minister of Denmark]

[Text] "In the broad perspective, there are many indications that the Russians see the Baltic Sea-North Sea-Norwegian Sea-Barents Sea as an area of operations that, from a functional security-policy standpoint, forms an advanced Soviet flank against the West. In the Soviet strategic perception, Denmark and Norway may have assumed the same functions that the boundary states of Finland, Estonia, Latvia, and Lithuania previously had toward the Gulf of Bothnia and the Baltic Sea."

This is how the situation of Denmark and Norway was described by then Lt Col Bjorn Egge when he, as one of several foreign experts, evaluated Denmark's strategic position in 1970 in the so-called Seidenfaden Report.

The geographic location of our country, our limited resources, and our dependence on strategic developments in North Europe and throughout the North Atlantic are only some of the factors that dictate the multifaceted common interest that exists between Norway and Denmark.

This is a common interest that has been reflected in the concept that South Norway is not just the backyard of North Norway, but from a military standpoint it is also the backyard of Denmark. As stated so clearly in the report by the Norwegian Defense Commission of 1974, "Norwegian defense will continue to be concentrated on North Norway, since there are no indications that Denmark's position in the Western defense alliance will be abandoned in the future."

Sharper Defense Debate

In recent years, Danish defense and security policy has been the subject of far greater interest and debate than in many previous periods. This applies both to discussions in parliament and to meetings throughout the country. Our

membership in the NATO alliance, the joint nuclear strategy, NATO's dual decision, the possibility of a nuclear first strike, and many other concepts have been central themes in the discussions. Some political parties--and especially the peace movement--are trying to gain a monopoly on the concept of peace. This is being done in a campaign that, to a great extent, is directed against various individual elements of NATO cooperation--but also is being used cleverly against the very idea of Danish membership in NATO. After many years of demanding that Denmark withdraw from NATO, NATO opponents have changed tactics. Apparently, they now realize that, since our relationship with the alliance is supported by about 60 percent of the people, they must resort to other methods of altering our security policy position. At the same time, the campaign has been based to a large extent on the fear that everyone feels toward nuclear weapons. But the criticism is unbalanced. The demand by the peace movement for disarmament in both East and West has become almost a ritual, since it is always followed by one-sided criticism of the United States and North Atlantic cooperation. It is also difficult to understand why openness, pluralism, and free debate are always put in a negative light when it comes to NATO.

In recent months there have been five debates in parliament that have concentrated on vital elements of NATO cooperation, but over 80 percent of the members of parliament still support a firm anchoring of Denmark's security policy in NATO. This was confirmed by the most recent defense agreement of 29 June 1984.

#### Broad Military Significance

Our defense planning is based on the specific geographic features of our region. While Norway is the key region in the northern section of the north flank, Denmark is the key region in the southern section of this flank.

As we know, the Kingdom of Denmark includes areas from Greenland in the west to Bornholm in the east.

From a NATO standpoint Greenland, with its early-warning facilities and air bases, is of decisive significance for the air defense of the North American continent and for air and sea domination in the North Atlantic.

The Faroe Islands, also a part of the Kingdom of Denmark as we know, is of great importance to the air defense of the North Atlantic because of its radar station.

Most of the attention directed toward the Danish defense involves the southern portion of the kingdom. Denmark has a small surface area (only about 44,000 square kilometers) and has a population of about 5 million.

The Danish straits are the only natural routes to and from the Baltic Sea. As a result, unimpeded passage through the Danish straits is of vital interest to the Soviet Union and its allies, since these nations have a considerable industrial capacity--including about 50 percent of their shipbuilding and



repair yards--concentrated along the Baltic Sea coast.

Farthest to the east lies Bornholm--Denmark's easternmost outpost. Bornholm lies east of the boundary between Poland and the GDR. At the end of World War II, Russian troops were withdrawn from Bornholm, as they were from Finnmark. The Russians did not leave the island until 1946. That occurred when Denmark declared that, without the participation of foreign troops, Denmark was prepared to use its own troops to take immediate and full control over Bornholm and establish its own administration.

Denmark's military and geographic significance can be summarized as follows:

A passage region with straits that connect the Baltic Sea and the oceans of the world;

A barrier that may be used either to lock the naval forces of the Warsaw Pact in or to prevent the naval forces of NATO from entering;

A surveillance area where passage to and from the Baltic Sea region is observed and registered;

A concentration and base region from which operations may be initiated against the flank of the central front.

#### Great Warsaw Pact Superiority

With regard to the threat, it must be said in general that a military superiority exists on the side of the Warsaw Pact. Especially noticeable is the concentration of landing craft and marine troops that has taken place in the Baltic Sea region. None of the Warsaw Pact countries have islands, the defense of which necessitates the use of amphibious troops. Nevertheless, the numerous Soviet marine units are supported by considerable Polish and East German forces stationed in the region. All three countries have landing craft that are designed primarily for use in brief operations in a limited region. We estimate their combined capacity to be such that they could land over 5,000 marines at once with all the necessary support functions and pertinent materiel.

With regard to the situation in Schleswig-Holstein, we estimate that they could send in five or more divisions against the Danish-German forces in this area.

It is difficult to evaluate the threat from the air that could be used against our region, because of its flexibility. Here too, however, the quantitative advantage is clearly on the side of the Warsaw Pact.

#### Task Of Danish Defense

The purpose of the Danish defense system is as follows:

"The Danish military defense, as a part of the joint NATO defense, shall use its presence to reduce the possibility of pressure against Denmark and, in

general, to prevent war. By watching over Danish territory and turning back intrusions, the military shall maintain the sovereignty of the nation and, in case of attack, shall counter it immediately, possibly with the help of the allied forces."

"The defense shall be of such a size and composition and implement its defense plans in such a way that, at any time, it will be possible for the proper reinforcements, as indicated by the SACEUR reinforcement plan for Europe, to be received at the correct time, supported, and deployed, if the government decides to call for allied help."

"It is important that the practical arrangements, agreements on support, etc., that are necessary for receiving reinforcements be carried out to the greatest possible extent in times of peace."

As indicated by this statement of purpose, we in the Danish military place great emphasis on the possibility of receiving reinforcements from abroad. We also understand that these reinforcements are no replacement for our own forces, but a supplement to Danish forces, since the latter will be incapable of countering the military superiority of the Warsaw Pact in this region for a prolonged period of time.

The main components of the military are the following:

For the defense of Jutland, we have the Jutland Division with division troops and three motorized infantry brigades. In addition, we have a combat group that is organized with three combat battalions.

The army's organization on Zealand consists of two motorized infantry brigades and three combat groups, each of which consists of two combat battalions and one artillery unit. On Lolland-Falster, we have a combat group that consists of one combat battalion and one artillery unit. We may also mention here that the Bornholm Region has units that correspond to one reduced infantry brigade.

The local defense is organized in seven military regions, each of which has a varying number of infantry battalions, artillery units, howitzer batteries, armored units, engineer companies, and guard units. The total force amounts to 72,000 men.

The navy consists of a number of combat units including two frigates, three corvettes, 10 missile boats, six torpedo boats, four submarines, four mine-layers, six minesweepers, and three cable minelayers. We also have a number of ships for surveillance of our waters, including eight guard ships and eight naval cutters. For inspecting the North Atlantic regions, we have five surveillance ships, five surveillance cutters, and eight surveillance helicopters. We also have a number of ships for specific purposes.

The air force includes six combat squadrons, three with 16 F-16's each, two with 16 F-35's each, and one with 12 F-104's. In addition, we have three C-130 transport planes and three Gulfstream III fishery inspection planes that operate primarily in the North Atlantic. We have one squadron of rescue

helicopters with eight S-61 helicopters for rescue missions in Danish waters.

Our area air defense consists of six IHAWK squadrons which, for the moment, are all on Zealand. Plans are to place two of these squadrons on a line between Funen and Zealand at a later date in order to lengthen the air defense belt in the central region. Two additional squadrons will be established in 1986 and 1987. For the local air defense of our air bases, we have a number of 40-mm L-70 and L-60 antiaircraft guns.

#### Danish Defense Agreement

These are the main forces that were agreed on in the defense compromise that was reached on 12 August 1981, involving the Social Democrats, the Liberals, the Conservatives, the Center Democrats, and the Christian People's Party. The agreement reached on 29 June 1984 by these same parties is basically a consolidation of this agreement.

This latest defense agreement covers 3 years, i.e. 1985, 1986, and 1987.

Some of the adjustments that will take place are the following:

The service time for inductees into combat and engineering units will be increased by 3 months to 12 months;

The army will be equipped with modern antiaircraft weapons;

Procurement of an additional 12 F-16 planes will begin.

Additional purchases will include ammunition, CBA warfare equipment, communications equipment, armored helicopters, Standard Flex ships, anti-aircraft missiles, antimissile systems, electronic protective equipment, and more.

During the 3 years covered by the agreement, materiel procurements will total about 6 billion Danish Kroner.

The most important aspect of the agreement, however, is that there is political unity behind the desire to maintain the present purposes and tasks of the military--including integration in NATO's military defense system.

#### Greater Division Of Labor In NATO?

Technological developments have made it extremely costly to create major weapons systems such as airplanes, ships, and tanks. Without going into this in greater detail, I would like to point out that it is important for small nations--such as Denmark and Norway must be called, by international standards--to initiate a discussion on specialization and division of labor within NATO. Our strength is in our democracy and our joint security policy. We also have a system in which the economy of the individual countries has a great influence on defense planning. It would be desirable for us to combine

these factors in such a way as to achieve a greater specialization and division of labor, thereby producing greater efficiency by our investments.

We must not forget that the Danish Home Guard is a particularly important supplement to these military forces. Since it was formally established after World War II, the Home Guard has grown to include more than 78,000 men and women who devote a considerable portion of their free time to strengthening the Danish defense. The Home Guard has a budget of about 300 million kroner. For this sum, the Danish military receives a defense force of 78,000 people who are prepared to defend their local communities at a few hours' notice. The Home Guardsmen keep their weapons, ammunition, and equipment in their homes. We know from experience that Home Guard units are in place, equipped, and ready to fight within several hours--and in many cases, in an even shorter time!

This is a great strength. It is a force that no aggressor can afford to ignore. It is a force that is imbued with spirit, conviction, and loyalty to the defense of Denmark.

#### Allied Reinforcements

Despite the strength of the Home Guard, however, we cannot do without support from NATO any more than Norway can. In the case of Denmark, this means primarily English and American units under SACEUR command. For the moment, this means an English force of about 13,000 men. In addition, there are other units of American marines and other troops from SACEUR's reserves that may be used by the Unit Command. We have agreements on and provisions for about five American air squadrons, including over 120 of the most modern planes. These planes come to Denmark for exercises on a regular basis. According to our experience, they will be able to perform tasks of vital interest to the Unit Command. In addition to the American squadrons, we have two English squadrons that will be sent to our Jutland air bases. These squadrons are particularly familiar with Danish conditions. The logistical support for these units has been carefully planned and is practiced on a regular basis.

In this connection, I believe it is extremely important to remember that, under certain circumstances, the defense of Denmark--or the defense of the Unit Command--is a combined Danish-West German defense.

#### Important Cooperation With West Germans

West Germany's defense of Schleswig-Holstein is especially strong. The West German Baltic Sea fleet is several times larger than that of Denmark. The West Germans naval air force, which is equipped with Tornado planes, is as large as the Danish air force. The West German air force has four squadrons of combat planes in the area. The Sixth German Armored Grenadier Division is a Jutland Division.

Although we know that the Warsaw Pact holds a quantitative military superiority in our region, the combined Danish and West German forces should prevent us



from developing a feeling of inferiority.

Foreign evaluations of the Danish military often have failed to consider that the defense of the Unit Command is a joint Danish-West German task. Understandably, this gives a distorted picture of the situation.

#### Significant Deterrent Effect

Whether the Danish military will be capable of accomplishing its task in the NATO defense system remains uncertain. This is not because Denmark's defense capacity is in question, but because an enormous number of parameters must be considered in an evaluation of this type. The Danish military has a size and composition that must make any opponent stop and think more than once. Our cooperation with West Germany must make any opponent stop and think more than twice. We also have plans to receive reinforcements of such substance, available on short notice, so that attacking Danish territory simply would not be worth the effort. Any gains an opponent might obtain by such an attack would be so costly that any rationally thinking person would refrain from such an attack.

Having said this, I believe I have responded to the Norwegian concern that crops up from time to time concerning the defense of South Norway. Of course, in the final analysis, the defense of South Norway is a Norwegian national responsibility, but since South Norway is of great importance to the defense of Denmark, the Danish military must play a decisive role in the ability of Norway to concentrate its military forces in North Norway. I see no reason for a reevaluation of the placement of Norwegian forces on the basis of the present capacity of the Danish military or, for that matter, on the anticipated future development of the Danish defense system, at least with regard to Denmark's defense capacity.

The Danish military has its problems today. All the defense systems of the Western countries have problems at present. This is often related to a shortage of funding.

#### Tougher Prioritizing

From a political standpoint, it was relatively easy to expand the military after World War II. This was both because the horrors of war were still vivid in the minds of a great majority of the people and because, in general, there was a positive economic trend. Since 1973, most of the Western European countries have experienced economic stagnation. In Denmark, the economic policies of the government have had significant positive effects, but we still have a long way to go. This means that our defense system, as in other countries, must prioritize and maximize every krone in order to achieve the greatest possible results. At the same time, of course, we must work hard to see that arms limitation talks that are taking place at various forums lead to constructive results, so that the need for a military defense simply will be reduced. We live in a world that is characterized by mutual distrust between East and West and especially between the superpowers. As a result, our primary goal must be a reduction of tensions and the establishment of security at the lowest possible level of armaments. This is the path we must follow.



MILITARY

DENMARK

KNUD BORK KRISTOFFERSEN NAMED CIVIL DEFENSE AGENCY HEAD

Copenhagen BERLINGSKE TIDENDE in Danish 9 Jan 85 p 11

[Article by Nils Eric Boesgaard: "New Civil Defense Chief; Civil Defense Administration Administrative Head Appointed"]

[Text] Knud Bork Kristoffersen, the 44-year-old administrative head, up to now, of the Civil Defense Administration, as of 1 January was appointed new chief of the Civil Defense Corps. He replaces I.A. Brask Thomsen, who has been chief of the corps since 1968.

Bork Kristoffersen, whose position corresponds to that of a major general in the army, will be supreme commander of the Civil Defense Corps muster brigades, which each year call up 1100 draftees for six months of training in fire fighting and rendering assistance in catastrophes, together with a few hundred so-called municipal draftees with only one month of training. It is the drafted brigades which regularly turn out to assist the fire fighting service in major fires and oil pollution accidents, while the municipal brigades in peace time make themselves conspicuous mostly as, for example, assistants and first-aid dispensers at major sports events.

Precisely these days, when winter has grown more severe, there is ill-concealed malice in the Civil Defense Corps over the fact that in several instances it has been necessary to turn out with the heavy four-wheel-drive vehicles in order to rescue Falck's towtrucks from snowdrifts and ditches.

Knud Bork Kristoffersen has been employed in the Civil Defense Corps right since he graduated from Horsens State School in 1960. He went to the Civil Defense Corps officers' school at Bernstorff Castle, from where after he graduated he came to the Civil Defense brigade in Herning and later to the platoon commanders' school. In 1978 he was secretary of the so-called Elkaer Hansen Committee (on civil defense and the fire fighting service) and since 1979 has been the Civil Defense Administration's administrative head. In this capacity he had a central role in preparation of the first political Civil Defense compromise, which was approved on 29 June 1984.

Knud Bork Kristoffersen, who is characterized by colleagues in the supreme leadership as "a sociable man with firm principles," has, as recently has been the custom within the State administration, been appointed for a term--six years. This does not exclude the fact that his appointment can be extended, or that he, if his job is advertised as vacant, can apply for his own job.

8985

CSO: 3613/73

MILITARY

DENMARK

CONSCRIPTION SECTION CHIEF ON OUTLOOK FOR MANPOWER NEEDS

Copenhagen BERLINGSKE TIDENDE in Danish 9 Jan 85 p 12

[Article by Nils Eric Boesgaard: "Compulsory Service for Women—as of Year 2010 at Earliest"]

[Text] But there are long-range prospects of the "Bodyguard's coming to consist of Turks and Yugoslavs."

It can become necessary to introduce compulsory military service for women in order to supplement the armed forces' ranks if the birth rate drops further, but it will hardly be before the year 2010, the chief of the Armed Forces Command Conscription Section, Lieutenant Colonel Jørgen Svaneberg, tells BERLINGSKE TIDENDE.

He does not think that the strongly rising birth rate among the many immigrants will involve the fact that the "Bodyguard's guard company in very few years will consist entirely of Turks and Yugoslavs," such as some circles within the armed forces have expressed a fear of.

"Last year we had one of the largest generations of 18-year-old men—a total of 45,000—at the induction exam. This figure will drop gradually until the class of '88, which will be at 36,000, and this still does not offer serious problems."

"The situation at the moment is that the armed forces and Civil Defense must use between 8000 and 12,000 draftees a year. We know by way of experience that between 20 and 25 percent of a class is totally unfit, while the rest are fit or fit with restrictions to do their compulsory military service. The problem will first be really acute after the turn of the millennium."

"We know ipso facto already now that 26,000 males were born in 1983, who will be 18 in the year 2001. I do not have the final birth figures for 1984, but there promises to be a little increase, probably of around 500," Lieutenant Colonel Svaneberg says, "and this is still enough to fill the ranks, provided that we follow the practice in effect hitherto."

"How the ethnic composition of the classes will be after this it is of course difficult to say at this time."

"For the present, we have had only very few guest workers' children who have done their military service on an equal footing with, for example, Greenlanders and Faroese, and this does not promise to develop into any problem. Almost two new generations must be born in order for there to be sufficiently many guest workers' children so that this will be able to be noticed in a class of draftees, and by this time I figure that they, as has always happened in earlier periods of immigration, will be completely integrated into the Danish population," the lieutenant colonel says, and adds:

"And if this involves the fact that the birth rate will also drop as far as they are concerned, it can quite quickly become a question of introducing compulsory military service for women."

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MILITARY

DENMARK

ARMED FORCES COMMANDER ON TASKS AHEAD FOR MILITARY

Copenhagen BERLINGSKE TIDENDE in Danish 3 Jan 85 p 8

[Article by Nils Eric Boesgaard: "Danish Armed Forces Holding Their Own Well; Armed Forces Chief's New Year's Greeting to the Services: We Are Good in Getting Something Out of the Money"]

[Text] "The Danish armed forces have over the years shown an ability to wring quite a bit out of the budgets at their disposal; this has engendered respect among our allies and thereby contributed to our military credibility," Armed Forces Chief O.K. Lind declares in his New Year's message to the armed forces.

"To compare batallion with batallion, ship with ship and squadron with squadron, the Danish armed forces are holding their own well as a rule."

Regarding the new armed forces agreement which went into effect at the turn of the year, the general states that it emphasizes the basic political agreement regarding our NATO membership.

"The armed forces' activities in the coming year will be characterized by those changes which are to be accomplished in order to bring the armed forces' makeup into accordance with the agreement's framework, which, for one thing, includes the reintroduction of longer compulsory military service in parts of the armed forces.

"The most important difficulties in this connection will be associated, of course, with the replacement-procurement backlog, which in spite of quite substantial investment, we must continue to push ahead of us, as well as with the depletion of reserves, which now must be brought to a stop."

"It will be necessary in the time to come," General Lind continues, "for every one of us, each in his job, to continue the good efforts to create the best possible armed forces. We must show the people that it is possible to achieve reasonable results for the 12 billion kroner which we have at our disposal."

"Thereby we can strengthen our self-respect, which is a precondition for being able to maintain the respect we enjoy among our allies, and surely also for our being able to create an understanding of the fact that the armed forces need more money, and an understanding of the fact that freedom costs money," the armed forces chief states, and concludes with thanks for and appreciation of the "good efforts and unfailing loyalty" in 1984.

MILITARY

DENMARK

DEFENSE MINISTER ON PROBLEMS OF ARMED FORCES, NATO TIES

Copenhagen BERLINGSKE TIDENDE in Danish 30 Dec 84 p 12

[Article by Nils Eric Boesgaard: "Hans Engell: Our Allies Have Not Abandoned Us"]

[Text] The armed forces' problems, however, have not been finally solved with the new armed forces agreement, Hans Engell says in the Defense Ministry's annual report.

Defense Minister Hans Engell still believes that the Danish armed forces are reliable enough for our allies to come to our rescue in a war situation.

"It is difficult to stipulate a limit for when our allies will no longer think it justifiable to send reinforcements here, but it is my opinion that we are a good way from this limit," the defense minister says in a commentary to the ministry's "1984 Annual Report," which this year is coming out for the third time, and which in broad outline points out how the ministry believes the armed forces compromise of 29 June has been carried out.

"In 1987, too, we will have at our command effective and balanced armed forces, but we must not shut our eyes to the fact that the armed forces have a number of problems which have not been solved through the compromise agreement," Hans Engell says, and adds:

"In addition to the compromise, there were two decisive items for the government which we would like to have seen reflected in an agreement. Firstly, an improvement of our mobilization strength; secondly, the accomplishment of essential procurement of materiel for the services. In both these areas it was possible to achieve an acceptable result."

"The armed forces' basic problems, however, have not been finally solved with the new agreement. It would have been particularly desirable to have quicker replacement of materiel and weapons, and a buildup of reserves, which is of decisive importance for the armed forces' staying power. The difficulties in these areas will to a special degree influence the situation after the compromise period, where it is possible already in advance to demonstrate a need for extensive replacements. There is reason for reflection also as far as the growth in the number of armed forces personnel is concerned. For a



number of years we have experienced quite considerable reductions, and this trend will unfortunately continue in the years to come. This will mean that the army will have fewer units ready in peace time, and that the navy and air force will have fewer ships and planes. This reduction can of course not be considered in isolation, but must be seen in the context of the forces' quality, but we must make it quite clear to ourselves that there is a lower limit for reductions," it reads in Hans Engell's commentary.

8985

CSO: 3613/73

MILITARY

DENMARK

LINE OFFICERS GROUP CHAIRMAN COMPLAINS OF PERSONNEL POLICY

Mass Quitting for Civilian Jobs

Copenhagen BERLINGSKE TIDENDE in Danish 8 Dec 84 p 1

[Article by Nils Eric Boesgaard]

[Text] A failed personnel policy and well-paid civilian jobs are pushing the best men out of the service, says the chairman of the line officers.

A whole generation of young officers has left the defense establishment in the last year. "The army alone has lost 45 in the past year. That is equivalent to a whole year's class from the officers school and almost 5 percent of the service's peace time officer corps," says Col O.B.M. Jensen, chairman of the Organization of Officers in the Armed Forces (AC).

Neither the high command nor the ministry of defense wanted to comment yesterday on the information which it was feared would have a reinforcing effect, but unofficially it was emphasized that the situation is not regarded as alarming.

The background to the flight of officers from the service has many sides. "Without doubt the most important are the incessant transfers, which it is recognized are necessary for the future careers of young officers. They have to learn to get along with the men and socially, but it is difficult when consideration has to be given to the spouse's job, the children's schooling and circles of friends," Col Jensen says.

"The conditions which officers confront are outrageous. For example, the transfer allowances of up to a maximum of 20,000 kroner which officers receive for documented expenses in connection with transfers are being taxed. That is to say, young officers who already are in more modest circumstances than their counterparts in government and private business will have direct expenses because of their work," the colonel says and adds, "Naturally there are some people who leave the service because of emotional reasons. The national security situation depresses many people even if they are not actually in fear of losing their job."

"But the great majority leaves because they are not offered acceptable working conditions, and of course it is tempting when the business world offers good, well-paid jobs.

"There are always offers from it for well-educated, young officers, who frequently have outstanding technical knowledge and who have been trained to lead young men of the same age since they received their sergeant stripes."

#### SPD Organ Demands Remedy

[Editorial: "Officer Flight"]

[Text] There is concern that the younger officers are leaving the service and going over to private business, which will gladly pay high salaries to people with the education present-day officers possess.

Last year 45 young army officers are said to have "disappeared from the corps." That is equal to a year's class from the officers' school. One of the reasons for this "officer flight" can be the frequent transfers and the taxation of transfer allowances!

It is clear that this situation is also connected with the desire of officers to have some kind of permanent home. At one time government service was so attractive (with the prospect of quite a good pension) that the many moves were accepted as something fairly normal and as necessary for a career. So officers jumped around from one place to another. Today, in the first place, it is not so easy to move if, for example, you have purchased your own home. In addition, officers are also part and parcel of our current pattern of society and are almost an after-thought when wives have their jobs which can be based on just as much education and are involved just as much as their husbands. Equality also applies to the wives of officers.

Something simply must be done to retain the people to whom the officers schools have given such a good education.

The obvious suggestion is to avoid some of the transfers based on history and tradition. There should be an investigation to determine if most of the transfers are actually necessary.

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MILITARY

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# FLEET COMMAND'S MISSION, STRUCTURE, COMMUNICATIONS NET

Bonn WEHRTECHNIK in German Nov 84 pp 39-42

[Article by Cmdr Volker Hoglebe: "The Fleet Command"]

[Text] All German naval and naval air force units are subordinate to the Fleet Command, one of the three high command agencies of the navy. In the following article, Cmdr Volker Hoglebe, press officer of the Fleet Command, presents the responsibilities of the Fleet Command, which in essence are the responsibilities of the German Navy, and points out how the organization of the staff is tailored to the mission of the fleet.

On 1 January 1967 the "Command of the Fleet" in Gluecksburg-Meierwik was renamed "Fleet Command." Emanating from the "Command of Naval Forces" created in Wilhelmshaven in 1956, which was then merged in 1961 with the "Command of Naval Forces Baltic Sea" in Kiel, the Fleet Command today constitutes the high command authority of the navy to which all German naval and naval air forces, the seaborne support forces, as well as the land-based control and communications facilities, are subordinate. This means control of circa 200 ships and boats, 180 aircraft, as well as 20 receiving and transmitting stations with a total of 21,500 military personnel and 3,000 civilian employees. Ten percent of the military personnel are officers, and 45 percent each are NCO's and lower ranks respectively. Twelve thousand are on sea duty and 6,500 belong to the naval air division.

In order to assure uniform training, equipment and manning, the fleet is structured in peacetime in accordance with the model organization (Figure 1). The commanders of the ship and boat flotillas, the naval air division, the amphibious group, the naval control service command, as well as the sea-tactical training group, are subordinate to the commander of the fleet in every respect.

The commander exercises "Full Command"<sup>1</sup> and "Operational Control" (OPCON)<sup>2</sup>, in the case of the latter only to the extent that it has not been delegated to the commander of Naval Forces North Sea for the area of the North Sea and outside of home waters.

"Operational Control" over submarines and naval fighter-bombers remains with the commander of the fleet in any event, irrespective of the operation area involved.

With the activation of the NATO command structure in the event of a national defense emergency, all German naval and naval air forces except for coast guard and support ships will be subordinated to NATO. The "Operational Command"<sup>3</sup> passes to the Commander Allied Naval Forces Baltic Approaches (CNBA). Under him, on the same level, are the commander of the fleet as Flag Officer Germany (FOG), the Flag Officer Denmark (FOD), and the commander of Naval Forces North Sea as Commander German Norse Sea Subarea (CGNS) as the three operational command authorities of the CNBA command area (Figure 2). FOG and CGNS then exercise "Operational Control" over assigned NATO forces as well as those forces staying under national control.

#### Mission of Naval and Naval Air Forces is Variegated

Structure and tasking of the Fleet Command are determined by the operations of the naval and naval air force.

Their mission during peacetime is:

- through their presence, combat readiness, and appearance of the forces at sea, to contribute to deterrence, consolidation of the NATO alliance, and international law and order on the high seas;
- to keep Warsaw Pact navies on the high seas under observation and conduct reconnaissance;
- to further the international relations of the FRG;
- to contribute to the observation of international rights at sea and on the German portion of the continental land mass;
- to carry out search and rescue missions at sea and along the German coast and help control the non-pollution of the seas.

In a crisis and times of tension:

- to continue their peacetime tasks to the maximum extent possible;
- to intensify and further expand reconnaissance of Warsaw Pact navies on the high seas;
- to take politically directed maritime measures as part of crisis control and in this way strengthen their efforts to preserve peace.

In case of a national defense emergency:



--to repel attacks on the German Baltic and North Sea coasts and contribute to the defense of the territory of neighboring NATO countries and the Danish straits;

--to participate in preserving control of the seas in the North Sea and adjoining waters, in order to secure sealinks used by friendly forces;

--to make more difficult the unrestricted use of the Baltic Sea by the Warsaw Pact navies;

--to bottle up a part of the forces and in this way interrupt the Warsaw Pact sealinks between the Baltic Sea and the Atlantic Ocean, so as to gain time for the restoration of peace through political means.

Resulting from the above are the following special responsibilities for the Fleet Command:

--Establishment and maintenance of the materiel and personnel readiness capability of the fleet. This includes both the availability of sea warfare means and, particularly, the ability and motivation of the military personnel in peacetime and in case of a national defense emergency.

--The continuing adaptation of tactical operational capabilities to technological progress. Based on one's own standards and analysis of related developments by the potential adversary, information gained must be transformed into operational procedures. These are coordinated primarily via the sea-tactical training group within the fleet and with the alliance partners, and passed to the officers of the naval and naval air forces for operational employment.

--Influencing the development of operational control within NATO. In implementing military-political objectives in NATO, the Fleet Command participates directly. Also involved here is the protection of national interests. This takes place through the direct cooperation in the preparation and coordination of joint operational plans in NATO, through a continuing personal exchange of information between the NATO commanders, or through participation in official conferences.

--Explaining the contribution made by the fleet to the security of our country and our allies within the framework of overall defense. The objective here is to explain the function of the naval and naval air forces within the Bundeswehr master plan to the public as well as to political and military decisionmakers and in this way to preserve or gain confidence in the capability of the fleet, as well as to generate understanding for the maritime mission of the armed forces.

--Cooperating in the expansion of good relations between the FRG and other countries. This peacetime mission of the fleet is particularly important. It becomes evident in visits by fleet elements to foreign countries during planned training outside of home waters, in the

planning of which the Foreign Office is involved.<sup>4</sup> Through the department of German naval personnel abroad, the fleet contributes to good relations between the FRG and other countries.

#### Organization of Staff Tailored to Fleet Operations

The multiplicity and complexity of the tasking of the Fleet Command, the juxtaposition of operational planning, operational control, and peacetime control responsibilities, the need for data by the various control levels, the integration in the command structure of the alliance, and the shifts in emphasis between peace, tensions, and national defense emergencies, cause complicated data and decision-making sequences.

The organization of the Fleet Command takes this into account (Figure 3). With a manning of ca. 140 officers, 170 NCO's, 100 lower ranks, and 200 civil servants, salaried employees and laborers, its organization corresponds in essence to the classical structure of military staffs.

Two differences are of significance, however:

--The necessary introduction and operation of a large computer at naval headquarters made necessary the establishment of a special section for organization and data processing (OD), and

--The particular complexity of the control requirements in the operating area of the fleet made it necessary for the staff elements concerned with operational control and planning to be pulled out of a classical A 3 section and be consolidated into an independent operations section (OP).

#### Operating Area Determines Operational Control From Naval Hq

The operational control of the subordinate units must be seen against the background of the geographic and geophysical conditions.

The highly structured area of the western Baltic Sea, the Danish straits, the Kattegat, the Skagerrak, and the North Sea, plus the short distances to the territory of the Warsaw Pact in the Baltic Sea, determine the character of conceivable sea operations. Difficult hydrographic conditions and frequent weather changes make flexible control necessary. What is required is to be able to bring suitable operational means to bear within a short response time.

The large number of Warsaw Pact ships in the area of operation of the fleet causes a correspondingly high volume of data.

The thus outlined background influences the operational control of naval and naval air forces. The situation display takes on particular importance in that process and with response times becoming ever shorter the time factor plays a decisive role.

The development of the computer-assisted data control system at naval headquarters resulted from the realization that the operational control capability could be adequately maintained only with the employment of electronic data processing. The objective thereby was the assurance of a smooth and rapid interaction of tactical and strategic control.

#### Data Processing Supports Control Process

In principle, the working sequences at naval headquarters are as follows: Data is received via various communications media. The transmission means utilized depends on the amount of data involved and the data periodicity. They range from telephones to radio links, the latter with messages automatically routed through the system to the console of the person responsible, to high-performance automated data transmission systems.

Particular emphasis is placed in this process on the LINK system which for years already has been utilized between modern combat ships of the fleet, and which is an automated data transmission link between computer-assisted control data systems. Through LINK, for example, the NATO early warning system AWACS can exchange data directly with naval headquarters.

Of equal importance is the data network with the headquarters in the Northern Europe area, particularly with the CNBA and the FOD as the directly adjacent commanders in the Baltic Sea operating area, and no less important the data exchange with the air defense organization.<sup>5</sup> Direct links exist to the COMLANDJUT as the responsible NATO commander for wartime ground operations in Schleswig-Holstein, Jutland and Fuenen, as well as with the Schleswig-Holstein territorial command.

The incoming data is processed in the system with the assistance of computers for the air, sea, submarine and mine situations, kept available for recall by the console operators, and shown in consolidated form on the situation display.

Based on this situation display, the situation is assessed and a decision arrived at. The decision is "translated" into implementation means and culminates in an operational order to subordinate units. The situation estimate goes to superordinate and adjacent command centers.

While decisionmaking as an intellectual process remains a creative activity which cannot be automated, the processing of the data and its abstraction as the situation display of the strategic control level take place through the employment of electronic data processing.

The large amount of data dealt with in a unit of time cannot be coped with by other means. Under maneuver conditions, more than 5,000 communications messages are prepared and processed in the control system of the Fleet Command within 24 hours.

## Development Runs Parallel to Utilization

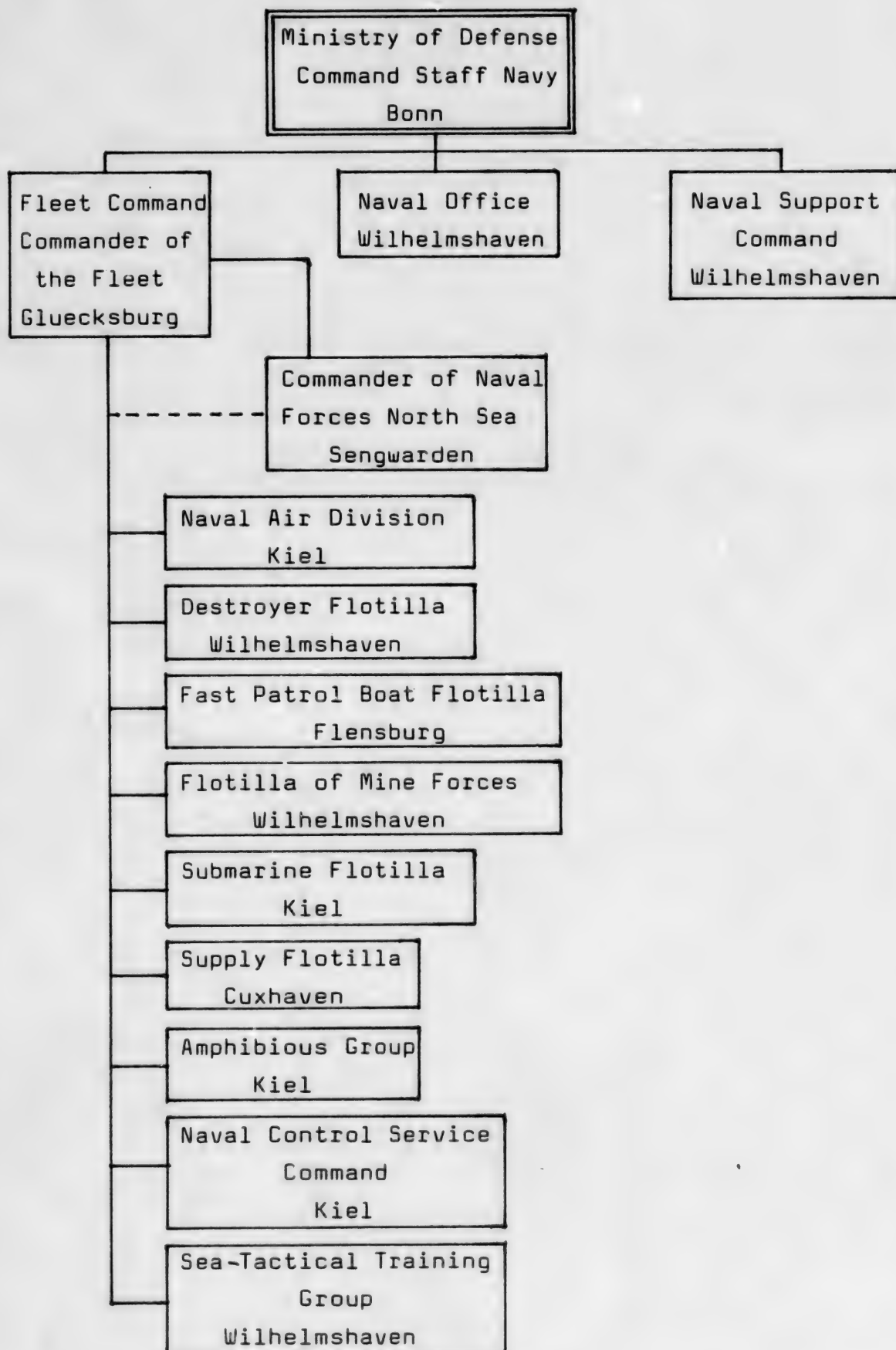
The necessity of insuring that all required data is available at all times for use in the decisionmaking process makes multiple redundant systems essential throughout the entire range of internal working steps, from the arrival of the data up to the situation display. In the practical application, great importance is attached in the process to user-friendly work sequences.

Viewed from these standpoints, all functions of the system are continuously checked for sources of errors and optimization possibilities. In close cooperation with the military-technical area, operational requirements are investigated for their technical feasibility and cost by members of the operations and data processing (OD) section. Thus, parallel to its utilization by naval headquarters for fleet operations, the system is undergoing constant continuing development into an optimized control system.

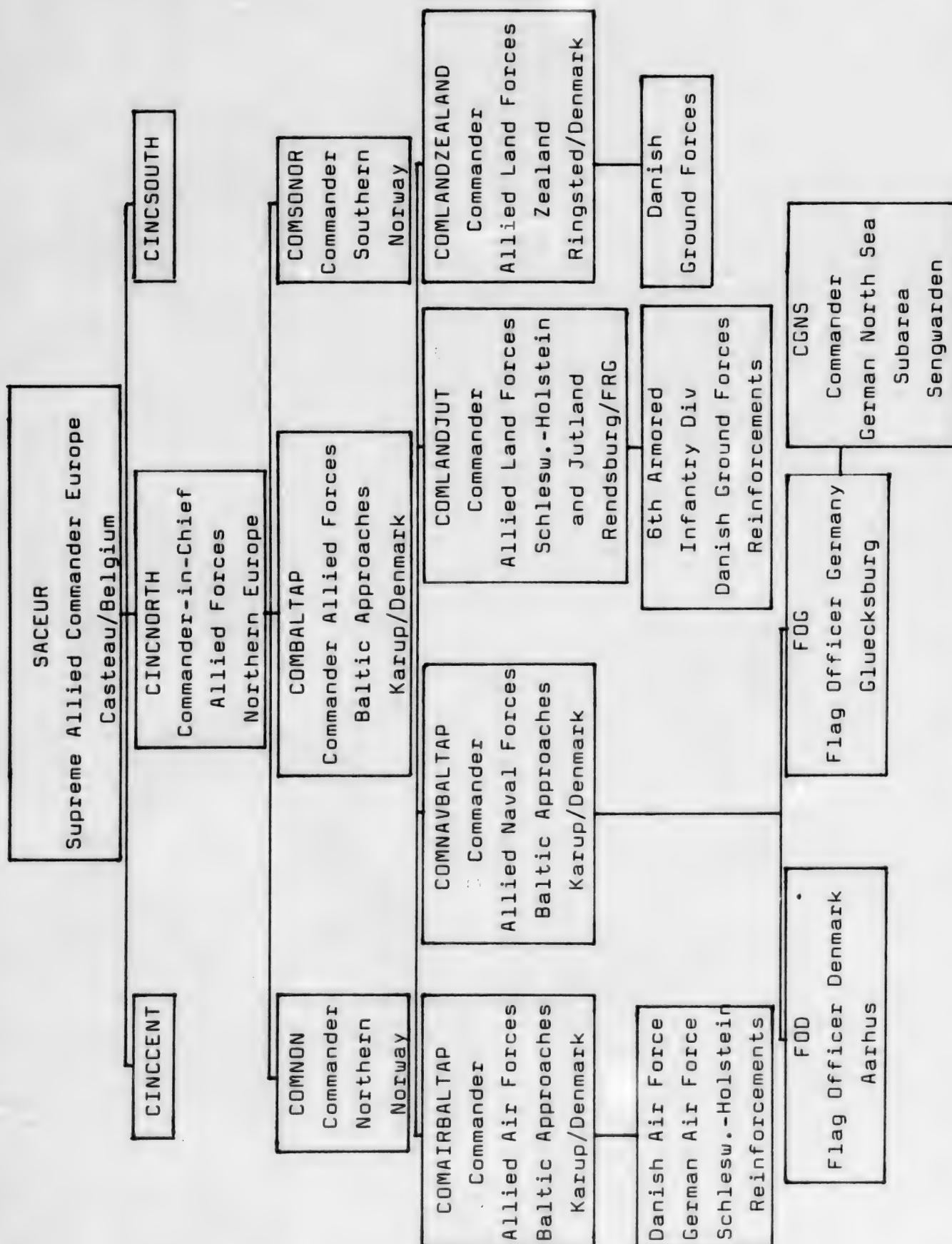
## Concluding Remark

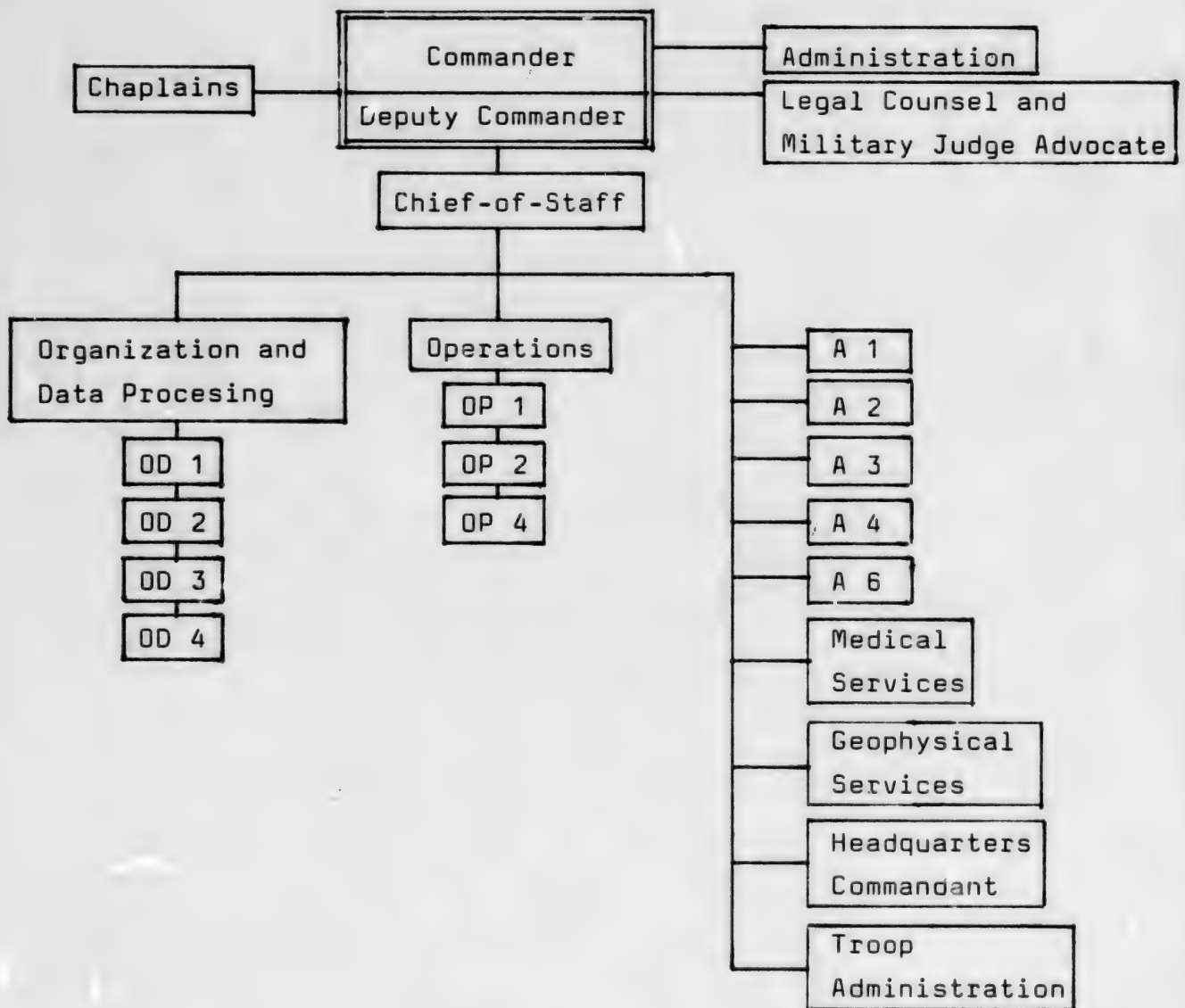
The Fleet Command, nationally and compared to other NATO countries, occupies a special position. In peacetime and in a national defense emergency, the combat and combat support ships of the navy are controlled from here. It is the only naval headquarters in the European area of NATO from which submarines, surface combat forces, and naval aircraft can be operationally employed simultaneously.

In a national defense emergency, the fleet commander in his capacity as FOG is the NATO commander having the operational mission in the Baltic Sea and the Danish straits, and as commander-in-chief of German naval forces (CINCGERFLEET)<sup>1</sup> he is responsible for planning and operational control in the entire operating area of the German Navy.









- OD 1    System analysis
- OD 2    DP system operation
- OD 3    Equipment preservation
- OD 4    Training, Naval HQ
- 
- OP 1    Plans Group
- OP 2    Exercise/Analysis Group
- OP 4    Operations Group

Figure 3

#### FOOTNOTES

1. "Full Command" indicates the command authority of a military leader. It embraces all areas of military control and administration and exists only in national armed forces.
2. OPCON is the authority delegated to a NATO commander to command forces subordinate to him in such a way as to be able to carry out certain orders or tasks, which are normally limited by type, time and place.
3. "Operational Command" indicates the authority delegated to a NATO commander to give orders or levy tasks on subordinate military leaders.
4. In 1983, German fleet ships visited 245 foreign ports between Reykjavik (Iceland) and Abidjan (Ivory Coast), and between Turku (Finland) and San Juan (Puerto Rico).
5. Responsible for the air defense in the operating area of the fleet are the 2nd Allied Tactical Air Force (2 ATAF) and the Commander Air Forces Baltic Approaches (COMAIRBALTAP).

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MILITARY

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# NAVAL CAPABILITIES, ROLE WITHIN NATO DOCTRINE ASSESSED

Bonn WEHRTECHNIK in German Nov 84 pp 28-39

[Interview with VAdm Guenter Fromm, commander-in-chief of the fleet, in Gluecksburg, FRG; date not specified: "Growing Importance of Naval Forces Within Overall Defense"]

[Text] The naval and air forces of the German Navy are under the command of Vice Admiral (VAdm) Guenter Fromm, WEHRTECHNIK [WT] spoke with him in Gluecksburg, northeast of Flensburg, where in February 1985 the control data system of naval headquarters, so important for the combat-effectiveness of the navy, is to become operational. VAdm Fromm gives his opinions on questions of current interest: the combat capability of the fleet has seen a positive development in the past several years; the combat-oriented training is being increasingly supplemented by simulators; decisions must be made soon with respect to the promotion slowdown; the threat in the north has increased, without a decrease of the threat in the Baltic Sea, however; the experiences of naval personnel can be taken into account in defining the NATO frigate; and in the FRG, as well, there should be no doubt that the significance of naval forces within overall defense is growing.

[WT] As commander of the fleet, you are responsible for the combat readiness of the German fleet with respect to personnel and materiel. How has combat readiness developed during the past several years, and where do you see, or place, the main emphasis?

[VAdm Guenter Fromm] As I understand it, your question is not concerned with combat readiness, which is prescribed in the form of the alert status, but with the combat capability of the ships. Criteria of combat capability are equipment, personnel, and training. A special reporting process gives the higher headquarters a clear picture at all times of the combat capability of each ship and thus of the fleet as a whole. We thus have a very good idea of the status and development of the combat capability.

In general, it can be said that the combat capability of the fleet has developed positively during the past few years. This does not mean that there were no short-duration breakdowns in some ships, e.g., because of material fatigue, lack of spare parts, shortage of personnel, and rotation of personnel. Newly commissioned ships sometimes need years before they reach the highest combat capability level. Since the reasons for a decline in combat capability can be very diversified and are subject to constant change, the points of main effort in countering such a decline also vary. The main emphasis of my efforts is always directed at the education and training of the crews. In the final analysis, these fall within my area of authority and responsibility. And here it is education that stands in the foreground, education to serve and to act responsibly, to deport oneself in a comradely manner, and to practice discipline and obedience on the basis of insight and trust.

Training must be geared to the realities of war. It must be combat-oriented, be as realistic and comprehensive as possible, and justify confidence. I owe that to my men. Improving the prerequisites for this is my primary concern.

[WT] The combat capability of the fleet has thus improved--but despite this there are some breakdowns. You mentioned lack of spare parts, for example. Is this not rather a shortcoming in the spare parts control system, in other words more an organizational problem?

[VAdm Guenter Fromm] It can be a control system problem. However, in dealing with equipment being phased out it can also happen that spare parts are no longer immediately available and spare parts procurement poses special difficulties. In addition, industry sometimes cannot make deliveries as quickly as we would like. All in all, though, the spare parts shortage is not so critical a problem that I would have to give it my special attention.

The assessment of combat capability is subject to very stringent directives. If, for example, important combat-relevant positions on a ship are unoccupied, for whatever reason, the commander changes the personnel combat capability level, to 4 possibly, i.e., his ship is no longer able to carry out its combat mission. Criteria of combat capability are: the status of materiel, complete manning, and their training status. Today more than 80 percent of the ships were at combat capability levels 1 to 3, i.e., they were at this moment capable of fulfilling at least one of their primary combat missions, even though with limitations.

[WT] Closely related to combat capability is the training of the surface and airborne crews. Have you succeeded, despite fiscal constraints, in implementing the combat-oriented training just mentioned by you? Is there enough training ammunition, or is the training shifting more and more toward simulators?

[VAdm Guenter Fromm] Well, there is always more to be done. Training is a dynamic process, determined by men, the mission, the weapons, the technology, and the enemy. Thus far I have not yet been able to fully realize my ideas regarding combat-oriented training. But the reason for this is not primarily a lack of funds or a shortage of, for example, fuel or training ammunition.



What is lacking, rather than these, are small auxiliary components for displaying hit effects as well as targets for firing with combat ammunition. The most important factor, however, is time, which we lack.

I am a convinced proponent of compulsory military service, but with respect to the navy I must point out that 15 months for surface units are not enough, or that the current representation of conscripts is too high to achieve full combat capability in the area of training. I know of no comparable navy in the world which is striving for this objective under such difficult conditions timewise. The time requirement increases with the increasing complexity of control and weapons employment tasks and the technology employed. For these reasons, it is necessary, in my opinion, to utilize the possibilities offered by simulation in training even more than in the past. Simulators can create a realistic environment. They make it easier to detect and correct errors. They make possible the repetition of identical sequences. Only through drilling does the soldier gain the confidence that he needs in combat, and we can save time and also money with simulators.

The implementation of such ideas requires much thought and is only possible through close cooperation between combat officers, instructors, and military technology.

But one thing must be made clear: simulation can never replace actual seafaring, or flying, for that matter--the control of human beings cannot be simulated--however, the effectiveness of combat training can be improved in a number of areas through simulators.

[WT] You mentioned "drilling"--a word that was hardly heard in the Bundeswehr 5 or 10 years ago. In the recent past, however, it seems to me, more importance is again being attached to drill.

[VAdm Guenter Fromm] The word drill was for a long time taboo--it sounded like a somewhat stupid, stereotyped repetition of sequences. But there can be no doubt: repetition also generates self-confidence. The absolutely assured mastery of an activity or action also increases the capability of dealing with other situations better. The word drill should thus be taken in the right meaning, but one should not hesitate to pronounce the word clearly.

[WT] Occasionally one hears of difficulties that the navy is having in finding qualified applicants for certain positions, e.g., electronics specialists. How has this situation developed and what motivation do the personnel have in view of the continuing assignment and promotion freeze?

[VAdm Guenter Fromm] Since the introduction of steam propulsion and electrical energy, at the latest, naval forces have distinguished themselves by their high technical standard. That is still true today. Compared to the personnel strength, the extent of technological sophistication in the surface units of the fleet is naturally higher than in the ground and air forces. This trend has even increased during the past few years and becomes evident in a clearly perceptible shift of personnel toward positions requiring technical qualifications or a higher intellectual level.

Thus since 1979 the number of electronics specialist positions in the navy has increased by circa 25 percent among the chief petty officers and by 6 percent among the petty officers, with the same overall number of personnel, mind you. Despite successful measures taken to reduce the decrease, however, we still lack electronics specialists, especially among petty officers. The prospects of closing the gap between authorized and assigned strength are currently positive, but the situation is not yet satisfactory.

And the problem will remain, I think. It poses a challenge to military technology to offer above all reliable, rugged military equipment in which the maintenance and repair effort is reduced through the design and technical aids, e.g., fault-diagnosing programs. In my opinion, not nearly all the possibilities, which must be realistic and conform to shipboard conditions, have been exploited.

The promotion and assignment logjam which has now arisen and which is getting more acute certainly does not improve the motivation of the soldiers, yet despite this the officers and chief petty officers of the fleet continue to perform their duties conscientiously and combat-ready. For they are responsible for aircraft, ship and crew, and they know that.

What worries me is the assignment logjam, since this can lead to overaged command personnel. Where the limits of physical stress are exceeded, a safety problem results. I am hoping for an early decision concerning measures to be taken to resolve the assignment tie-up. It is not first and foremost a matter of promotion, but of organizational problems, age group structuring, and in the final analysis the combat capability of the armed forces.

[WT] You refer to the assignment tie-up as becoming even more acute at the present time. Did it not exist a few years ago? And what do you think of the proposal that career officers of certain ages can voluntarily leave the service prematurely?

[VAdm Guenter Fromm] The promotion logjam has been talked about for circa 4 years already. While initially the talk stemmed from the disappointment of those affected, because their overly high level of expectations did not become reality, we are now getting into real difficulties. The number of annual retirements is decreasing greatly; indeed, there will be years in which hardly any officers will be retired, and consequently hardly anyone will be reassigned or promoted, in case no remedy is found. The Bundeswehr command is aware of the problem and will take action. I am sure of that.

Regarding your second question: The offer should in any case be made. How great the acceptance will be among the officers is another question. Only if sufficient officers also make use of the offer will it bring the necessary relief to the armed forces.

[WT] But would you not be disappointed if precisely these officers leave on whom you had pinned your hopes?

[VAdm Guenter Fromm] That might be true in an individual case, but in general I would not be disappointed, even if--as one often assumes--the active, good officers leave. For in the age groups concerned, we have so many good officers that we would not be hurt by the departure of a few.

[WT] To date the Ministry of Defense has not decided on the personnel plans for the 1990's. In general it is being assumed that the peacetime strength will be lower than today with a total of 495,000 troops. With respect to the navy, do you see any possibilities at all for reducing the peacetime strength here and there without endangering the combat capability of the fleet?

[VAdm Guenter Fromm] One will definitely not be able to reduce the size of the ships' crews, other than by berthing ships at the pier. A greater utilization of reservists and mobilization personnel in order to fill up the crews is hardly possible on combat ships. On supply ships and tenders, on the other hand, we have been going this route for a long time already. Therefore I see only minimal possibilities for a reduction in the fleet, unless the ratio of extended service personnel goes up. In this way the training effort in the navy could be decreased and the number of training personnel reduced. Even now, many of our conscripts, who are doing an outstanding job, serve only 9 months on board ship, since they must be trained for 6 months on land. One should not overlook the fact that the soldier on board ship must be trained twice, viz, as a soldier in his military specialty and as a seaman, and that every crew member has many additional functions to perform. The ratio of individual training or training of the individual man to combat training as a team could, given longer service time, be optimized so as to save personnel.

[WT] As commander of the fleet, the naval headquarters as a control instrument is available to you. How has the naval headquarters worked out to date, and how does it fit into the NATO team? Is there not a danger that too many control and data systems will in time result in a departure from mission-type orders?

[VAdm Guenter Fromm] The perception of the navy to increase the effectiveness of its combat forces by means of an EDP-augmented control capability goes back to 1967/68, and was the result of geographic and strategic conditions. Basically, this perception has not been changed in more than 15 years, and has now to large extent been realized following a very long drawn out process. In the spring we will assume responsibility for the control data system at naval headquarters as a completed project. The system has proved itself more and more and operations without it are inconceivable. The control capability has been improved considerably and--this we should never overlook--control capability is an element of combat strength.

Integration into NATO can take place only when comparable systems are in existence there. We expect this to be the case from the end of next year on.

The danger that too much data and control capability erodes the principle of mission-type orders and decision-making is raised to the wrong level certainly exists generally, but not in the fleet. We have had very much experience and have thus painstakingly avoided--indeed, in some cases prevented--senseless

demands from being made or realized, and money, EDP capabilities and personnel being wasted for things that go beyond what is needed for control purposes. We have been aware of the danger from the outset, have recognized it in time, and I hope, have averted it once and for all.

[WT] But the capabilities which you as the commander have by virtue of the naval headquarters control data system are tremendous, however. Theoretically, would it not even be possible for you to select a specific patrol boat in a formation for the purpose of engaging a specific target, in other words relieve the commander of the formation of the decisionmaking responsibility?

[VAdm Guenter Fromm] Experience has shown that it is senseless, even dangerous, for a [upper level] commander to concern himself with such individual decisions. And it was for that very reason that we developed the system in such a way that no one is tempted to make such mistakes. Indeed, we have intentionally forgone these capabilities. We perceived the danger of being supplied with great quantities of data which we do not need, which would only confuse us and divert from our real control mission. I am very definitely opposed to avoidable centralization in all areas, but particularly in the control area.

[WT] The operating area of the navy has been extended to the north. Is this a reaction to a change in the threat--has it grown in the north, perhaps even hand-in-hand with a lessening of the threat in the Baltic Sea?

[VAdm Guenter Fromm] Yes, it has grown in the north, albeit without a perceptible lessening of the threat in the Baltic Sea. On the contrary! The amphibious attack potential of all three navies of the Warsaw Pact has been increased significantly in this area. In addition, in past years and in the future, naval and naval air forces will be replaced by new, more combat-capable, and for the most part also larger ships as well as by a new class of naval warfare means, e.g., hydrofoil craft and air cushion vehicles.

The same is true for the Soviet Northern Fleet operating in the Arctic Ocean. A qualitative boost has taken place here which worries us and which requires a concentration of resources of all northwestern European countries as well as the U.S.A. and Canada. This concentration of resources becomes all the more necessary for us Europeans since the growing global obligations of the U.S. Navy may allow gaps to form in the northern flank area, the closing of which is of vital interest to the Germans.

For if the sea power Soviet Union were to succeed in occupying Norway and Iceland, a defense of the Baltic Sea approaches would be questionable because of the threat from the north, from the North Sea, and the Atlantic sealinks between Europe and America would be threatened to the extreme. Both would have catastrophic consequences for the defense of central Europe and especially for the FRG.

The interdependence between our defense efforts in the Baltic Sea and in the North Sea has always existed. It has grown in recent years. Because of the naval buildup of the Soviet Union, our national interests, and the mission of the fleet, we must direct our attention more closely than in the past to the



growing threat from the north, and the fleet, more than in the past, must take a greater part in the joint mission of NATO naval forces in the northern flank area.

[WT] What effect does the expansion of the strategic operating area of the navy have on the composition of the fleet--will the main emphasis in the future be placed on seagoing frigates and larger submarines? What role will the naval pilots play in this process?

[WAdm Guenter Fromm] I see no significant effects. Basically, the mission of the fleet has not changed. Our primary operating area continues to be the Baltic Sea, where together with the Royal Danish Navy we have a most important mission to perform. There we are on our own, expect no reinforcements, are in a high state of readiness in the most forward line, and gain time for the ground forces to mobilize and reinforce their units. In addition, in fulfilling our mission we secure directly the left flank of our army and--in the event of an advance by the enemy--pose a threat to the enemy's right flank.

Even if this priority of tasking in the Baltic Sea permits no relocation of forces to the North Sea, the growing threat from the north nevertheless compels us, more than in the past, to adapt the destroyers and frigates planned for operations at the north flank to the changed threat spectrum. This means a rapid replacement of the destroyers of the Hamburg-class and the last three frigates of the Koeln-class by new ships. With respect to the new submarines, we will increase their suitability for a feasible North Sea employment by extending their time at sea.

We have likewise not changed the mission and primary operating area for the naval fighter-bombers, even though the planned operations in the North Sea can be more effectively carried out by Tornado aircraft with their greater range and/or greater weapons payload.

[WT] It is a known fact that the Warsaw Pact navies in the Baltic Sea have particularly expanded their capabilities for amphibious operations. How do we react to this threat?

[VAdm Guenter Fromm] We have already taken various measures, or are preparing to take them, in order to enhance our defense capability, i.e., adapt the deterrence to the threat. Thus, the rebuilding of the fast patrol boat flotilla will be completed in November with the commissioning of the tenth fast patrol boat of type 143 A. Available for defense purposes are 160 sea-target missiles on board 40 boats.

In the naval air wings, this process is under way with the replacement of the naval fighter-bombers with aircraft of type Tornado. The long overdue updating of our mine warfare component is in preparation. This applies to both the mine-laying ships--I would remind you of the type 343--and to the mines. The anti-invasion mine and the seabed mine 80 are worth citing here, in connection with which I would not like to leave unsaid that here too the time required for development and production strikes one as fantastic.



Our coastal radar organization currently resembles a museum piece. Many call it a shambles, which is unfair to the men who are nevertheless performing their duties conscientiously.

Our submarine force is efficient. The prospects are good for preserving its relative fighting strength. We have managed a breakthrough in the control capability sector.

[WT] But do not the planned submarines of type 211, which are to replace the six existing boats of type 205, nevertheless mean a loss of fighting power in the Baltic Sea, since they are meant primarily for operations in the North Sea and the adjoining northern area?

[VAdm Guenter Fromm] The new submarines are to remain based in the Baltic Sea, and they are so designed as to permit them to operate in the Baltic Sea. We used to believe that the size of the submarines is a very decisive factor for operating in the Baltic Sea--hence our small boats. Today, however, we feel that a limited increase of displacement does not significantly detract from the suitability of the boats for operations in the Baltic Sea. A magnetic construction, low noise radiation, improved sensors and weapons are much more important. In addition, the sonar conditions in the Baltic Sea favor operations by submarines to a high degree.

It should also be kept in mind that already in the past and also now part of our submarines can and will be employed in the North Sea as well.

[WT] To stay with the submarines just a little longer; the navy has 18 operational submarines of type 206 and plans to take certain measures to preserve their combat strength. But why are only 12 boats to be reequipped? Aside from this, it was planned at one time to replace these boats with modern submarines having propulsion systems not dependent on outside air. One hears nothing about this now--has the navy given up its demand for a propulsion not dependent on outside air?

[VAdm Guenter Fromm] In my opinion, only a part of the type 206 submarines ought to be modernized, namely the best ones, since there the effort would still pay. The measures taken to preserve the combat effectiveness require a certain amount of time with every boat--if we were to improve all boats, the last ones would be operational for only a short time before they would have to be replaced by new ones.

Propulsion not dependent on external air is a worthwhile objective for our submarines in the future as well. I am just not sure whether there are production-ready technical solutions which meet our tactical requirements.

Every improvement of underwater characteristics, especially with respect to movement, increases the combat capability of the boats.

[WT] Should the extension of the strategic area of the navy not only have led to an increase in the number of ships? In this day and age, does not the protection of a larger area with the same number of ships mean a reduction of strength per unit area?

[VAdm Guenter Fromm] Sixteen destroyers and frigates represent a certain limit in the performance capability of the navy. In order to have stronger forces in the North Sea and the Arctic Ocean area, we would have to move fighting power out of the Baltic Sea--this we cannot afford to do, however--or we would have to increase the size of the navy, which we know is impossible under present conditions. It is thus a question, essentially, of matching the means at our disposal to the requirements of the threat.

[WT] Is the combat effectiveness of the other units--Hamburg-class destroyers and Koeln-class frigate--still commensurate with the threat? You received only six type 122 frigates, for which reason the aforementioned ships will have to stay in service longer. Would a rapid replacement not be necessary for reasons of upkeep alone?

[VAdm Guenter Fromm] The relative combat effectiveness, i.e., combat effectiveness measured by the technology of the enemy, has naturally become extremely small, especially in the frigates of the Koeln-class. Yet--and here I am speaking of a sort of absolute combat effectiveness--these ships, especially the Hamburg-class destroyers, bring a firepower into the unit which should not be underestimated. And with that I have also given you the key word for the type of operations of these ships: because of their weaker sensors, we use them in mixed formations together with modern ships, so that for the employment of their weapons they can share the more effective sensors of the modern ships. It was for this purpose that we installed Passive Link on the destroyers and have requested similar equipment for the remaining three frigates. In view of the shortage of escort-capable multipurpose ships in the northern flank area--the commander-in-chief Atlantic (SACLANT) speaks of a shortage of circa 50 percent--I see no alternative to keeping them in service until they are replaced by new ships, even if this is expensive.

What is more, the fleet will always have older vessels in its inventory as well, this is normal and in general also justifiable. But it is obvious that the German Navy with its Koeln-class frigates, following the decommissioning of the destroyers of the Fletcher-class, will again and for a long time to come have the oldest ships of this type in service in the northern flank area, and that is disturbing.

[WT] The Passive Link--PALIS--mentioned by you was also installed in the fast patrol boats of type 148. Is it true for them as well that they are to be used operationally in mixed formations?

[VAdm Guenter Fromm] Yes. We are equipping those combat ships with PALIS that do not have their own fully effective control and weapons employment system. In this way, the PALIS-equipped ships are integrated into the data network and are rendered capable, for example, of processing target data of sensors installed on other ships and utilizing it for the employment of their own weapons.

[WT] In the 1990's, the navy should receive the NATO frigate 90--German designation type 124 frigate. What hopes do you have for a ship of this type? What direct advantage will the projected extensive standardization within the alliance with this class of ships bring for our fleet?

[VAdm Guenter Fromm] Generally speaking, I am hoping that this frigate will become a reliable, rugged, and technologically not overbred combat ship, armed in keeping with its mission and the threat, in which experiences of the past, especially with respect to standing power, have been taken into account, and that seamen will play a role in its construction and it does justice to the needs of the "people on board" and not so much the notions of inexperienced designers or planners.

Standardization should always be sought. It creates a broader base for materiel, weapons, facilities and equipment. It simplifies stocking and supplies and technical maintenance in almost all fields. It offers great possibilities for mutual logistic support on the high seas and in harbors and in this way increases operational flexibility. In addition it makes joint training possible, and it can perhaps contribute toward reducing costs in the utilization phase.

Since German industry--with a few very good exceptions--has thus far hardly or very reluctantly turned to the development of weapons and equipment for use in the construction of warships, we are very familiar with the problems involved in the utilization of foreign equipment. However, every new ship offers one more opportunity for standardization which should be taken advantage of.

[WT] How would the fleet commander like to see his naval forces in the year 2000? Should the current composition of boats, ships and aircraft be retained, or will there be shifts in the points of main emphasis?

[VAdm Guenter Fromm] The composition of a fleet is oriented to its mission or to the enemy or the threat. I can see no indications at this time that these factors will be subject to fundamental changes in the next 10 years--at which time the decisions for the Fleet 2000 will be made.

The valid principles should therefore continue to be observed. The principle of a balanced fleet must therefore be the basis for all decisions in the future as well. It must be applied to the naval combat resources--by that I mean the weapons carriers--and to the weapons themselves. The employable spectrum must be more diversified. Sea warfare must be conducted on the water, underwater, from the air, and if necessary also from land. The weapons must permit a varied tactical threat and--that too is important--these sea warfare resources with their diversified weapons spectrum must be controllable in combat.

A replacement of fast patrol boats by helicopters, for example, would be just as contrary to this as the discernible unilateral trend toward missiles, which by now can be fired from various platforms. This is all the more true as long as missiles register only above-water hits, mainly in the superstructure, and thus do not strike the ships a mortal blow, and in addition can be adversely affected by electronic countermeasures. Only ships that have been sunk give no radar return and are no longer targets. This could be taken as a vote for torpedoes and artillery if you wish.

[WT] You mentioned helicopters as being no substitute for fast patrol boats. The navy now plans to use Seaking helicopters--since the range of weapons is currently greater than the range of radars--to extend the radar range of its

fast patrol boats, and in addition equip them (Seaking) with light air-to-sea missiles. Will not the helicopter thus in time become a new combat weapon for the navy after all? And can it not utilize fast patrol boats as a landing platform?

[VAdm Guenter Fromm] With respect to mobility and its dependence on land bases, the helicopter is a resource that lies between boat and aircraft. For that reason it is not easy to integrate it into the combat area sea. It requires data, information on the situation, so that the pilot will know where friend and foe are in the combat area when he arrives and whom he is to fight. The simultaneous employment of fast patrol boats and combat helicopters poses various problems: the land-based helicopter must arrive in time, it must be provided with the necessary target data, and a sort of fire allocation must be made, so that the same target is not subjected to multiple fire. Questions that must be answered: Where do we station helicopters and what readiness level must they be in? As of now we don't have the answers, but I hope that an integrated employment of combat helicopters in the Baltic Sea turns out to be possible. A stationing of helicopters on fast patrol boats, even for short durations, is not possible, in my estimation. The boats are not nearly big enough for that.

[WT] The threat posed to naval forces by aircraft and especially by missiles has increased significantly during the past few years--this was underscored by the Falkland events. When one looks at Soviet warships, one is struck by their strong air defense armament. In complete contrast to our ships, which have far fewer air defense means at their disposal. Must not more be done here?

[VAdm Guenter Fromm] As regards the air defense armament, you must always include the size of the ship in your observation: a cruiser naturally has more powerful armament than a fast patrol boat. The truth is, however, our fast patrol boats are also not exactly unarmed. When 10 fast patrol boats are employed, their twenty 76mm guns constitute an air defense potential that cannot be ignored. It should also be taken into account that thus far the Soviets have no stand-off missile comparable to Kormoran. To be sure, they have huge missiles for ranges over 200 nautical miles--but they cannot be used against fast patrol boats in the Baltic Sea. The Warsaw Pact fighter-bombers still require optical sights to drop their bombs on our ships--and in the process they must overfly our boats and are thus very much endangered. And the missiles that the Soviets have for the Baltic Sea must still be guided--thus the aircraft must likewise enter the air defense area of our boats.

We are concerned, however, about our air defense--here we rely in essence on Hawk surface-to-air missiles. Our airfields, to be sure, are protected by radar-guided 40mm guns, and Roland is to be introduced, but airborne fighter protection is largely lacking. Here we are counting very heavily on the Danes and on flown-in reinforcements. Actually one should give thought to perhaps reinforcing the Hawk belt in our sector.

[WT] It is said of the German Navy that it is very "America-compliant," and that it is therefore quick to accept equipment or processes introduced in the U.S. Navy. One has heard less, on the other hand, of cooperation with our closest neighbor, the Danish Navy. What significance do you attach to this cooperation, and how does it assert itself, for example?



[VAdm Guenter Fromm] As regards "America-compliance," this is completely new and incomprehensible to me. If we leave out of consideration the three destroyers of the Luetjens-class, I can at this moment think of no U.S. equipment and no U.S. process which have been adopted only by the German Navy and not by other navies as well. Since German industry, unlike the situation in comparable countries, offers only a very meager selection of naval equipment or weapons, we are dependent on Western military hardware, and we utilize this hardware in an unusually international multiplicity, in which U.S. equipment and weapons play a rather subordinate role. I could not even give you an example of U.S. procedures.

For years, I have rated the cooperation with the Danish Navy as exemplary. Yes, I even assume that, because of the special mission-oriented and geographic common concerns, plus the personal contacts, there are no two fleets which co-operate more closely and harmoniously than do the German and the Royal Danish Naval Forces. We are dependent on each other and we know that.

[WT] In connection with the discussion about allegedly new NATO strategies, with which the nuclear threshold is to be raised at the same time, much was said about the conventional mission of the ground forces, about extensive air force operations, about Airland Battle, etc. The navy was mentioned only peripherally, frequently not at all--hence the question: what importance is still being attached to the naval forces for the overall defense of northern and central Europe?

[VAdm Guenter Fromm] Well, the significance of the naval forces for the overall defense--if I exclude for the moment the sea-based nuclear weapons, which on both sides constitute a very significant deterrence and threat potential and must also be conventionally safeguarded--increases at the same rate as the naval armament of the Warsaw Pact increases and as the nuclear threshold is to be raised.

Especially for us Germans, the conventional deterrent is based on the capability of NATO to bring reinforcements from the U.S.A. to Europe quickly and safely. Secure sealinks are an indispensable link of the alliance. If the capability for safeguarding and utilizing the sealinks is lost, the alliance will suffer, essential elements of conventional deterrence will be lost, and the danger of a conventional war in Europe, or the pressure for nuclear deterrence, will increase.

A commander-in-chief Atlantic once said: "If we were really to lose the northern flank, then--we would also lose the capability of bringing reinforcements and supplies to Europe. And if we lose this capability, we have lost Germany." And I also share the view of the current SACLANT, Admiral McDonald, when he says that the allies should see to it that the shortage of naval forces in the alliance never becomes so critical that the enemy could consider it possible to interrupt the "Atlantic bridge." The average German, by nature oriented toward the continent, has always had difficulty grasping the significance of the sea, even though history has many painful lessons to offer us. The importance of naval forces as part of the overall defense is growing more and more, and we too should have no doubts about this.

12689

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MILITARY

FEDERAL REPUBLIC OF GERMANY

## TERRITORIAL UNITS, RESERVISTS FIGURE IN FALL MANEUVERS

Bonn WEHRTECHNIK in German Dec 84 pp 44-49

[Article by Gerhard Veil: "Mud Battles: Nimble Hedgehog and Lionheart"]

[Text] Extraordinarily poor, wet and cold weather and for this reason fully wet ground were the exterior conditions, burdening soldiers and equipment, that characterized the great fall maneuvers of the NATO Autumn Forge series in the FRG. These included the army exercise '84 of the Bundeswehr's II Corps, Nimble Hedgehog, held in Lower Bavaria, and the British mobilization, logistics, and combat exercise Lionheart in the North German plain.

The II Corps in Ulm, the Southern Territorial Command in Heidelberg, and the VI Military District in Munich put 55,000 men, along with 13,100 wheeled and 2,800 tracked vehicles and 220 helicopters into the field for army exercise '84. The federal railroads operated 70 freight trains to transport the tracked vehicles to the maneuver area and back to the garrisons.

Characteristic for the Nimble Hedgehog was the fact that the Territorial Army participated in it to an extent unprecedented since the reorganization according to Army Structure 4. Participating were the Home Defense brigades 54, 55, and 56, the Home Defense regiment "Altbayern," and seven Defense District Commands, as well as headquarters, logistics, and medical troops allocated to the Territorial Army. More than 12,000 reservists had been called up, 10,000 of them with units of the Territorial Army, the rest in their mobilization assignments in the field army. The "Blue" maneuver party, including 30,000 men, comprised the 10th Panzer and the 1st Airborne divisions, the 24th panzer brigade of the 1st Mountain Division, the 3rd Brigade of the U.S. 1st Armored Division, and detachments of the Territorial Army. The 14,000 man strong "Red" force included units of the 1st Mountain Division, parts of the 1st Airborne Division, the 56th Home Defense Brigade, and the 4th Canadian Mechanized Brigade Group (4,300 soldiers) from Lahr in Baden.

The 4th Panzer Grenadier Division took on administrative and umpire duties. Naturally, these included servicing visitors and the press, and informing the population in the maneuver area.

The maneuver took place in the area of Nuremburg-Weiden, Cham--Regen--Passau--Rosenheim--Munich--Ansbach. The concentrations were in Lower Bavaria and Middle Franconia, between the Danube and the Isar, and east of the Nuremberg-Munich line. The Commander, Lt Gen Werner Lange explained, "We do not carry out this combat exercise in this part of our homeland because we meet here a population that is especially cordial to the Bundeswehr and we would be going the way of least resistance, rather, we do it because the defense and protection of this area is the mission of II Corps in the case of war."

The Nimble Hedgehog included--and how could it be otherwise--practically the entire spectrum of combat training that had up to then been practiced only in garrison and on training areas. Before the actual combat operations the emphasis lay in alert, mobilization, and establishing combat readiness while still in garrison. There followed the deployment phase, including marches and convoys on highways and railways, the relief of the Federal Border Guards in securing the border, preparation of river crossings, hospitals had to be established, decontamination facilities built. During the commencement of combat the detachments were thoroughly tested in all areas of combat training, to include reconnaissance, attack, delaying operations, defense, establishment of antiarmor centers, operations against airlanded enemy by troops of the home defense forces or friendly airborne missions.

#### Variant: Two Forces Attack

In devising the Nimble Hedgehog exercise no beaten path was followed. Instead, in place of the general maneuver layout an interesting variation had been thought out, offering more possibilities for opening hostilities--instead of having the usual two parties operate against each other, three forces were involved. In addition to Blue and Red there was also Yellow, with Blue being in the usual defensive role, Red and Yellow acting the role of two allied attackers.

According to the exercise plan Yellow and Red lands were to attack Blue Land in a time-coordinated attack from the North and South-East. In addition to these differing attack times, Blue was given a further problem--the Blue defenders were to assume the defense with weak forces, and to bring up at least one major unit only after commencement of hostilities.

Thus, on 13 September, Yellow Land attacked Blue Land (with the attack operations of Yellow only simulated) and while Blue had to take his defensive reserves from the right flank and regroup, Red on 17 September launched a surprise attack from the South-East. This gave the directors the opportunity to have detachments of the Territorial Army protect the Blue forces moving to the defense in Eastern Bavaria, on the other hand, they could be attacked on the long routes by Yellow air forces. Blue was thus forced to unload freight trains prematurely and reroute highway convoys, constantly faced by serious and difficult operational problems. These, however, were mastered by the leadership ability, the correct situation evaluation, and quick decisions by Blue, including the full exertion by the troops.

While Red attempted to advance its attack from South-East across the Vils and the Isar in the direction of the Danube, Blue, utilizing two military bridges

near Ingolstadt and Poikam, commenced a counterattack. Combat actions were concentrated at the crossings of the Big and the Little Laber, two rivers south of Regensburg. The rivers, running across the direction of the attack, and the fully drenched, almost boggy ground and the extraordinary strong current posed new problems to friend and foe. Through optimal efforts, readiness, and knowledge, however, engineers always succeeded in overcoming the problems.

#### First Appearance: Leopard 2 and Military Mail

What made the army exercise '84 interesting from a technical point of view as well were some "premiers." For the first time, for example, a II Corps exercise of this magnitude employed the Leopard 2 battle tank and the Jaguar 2 rocket tank destroyer, and for the first time the Army Aviation Regiment 26 was employed and its antitank helicopters PAH 1 were used in establishing antitank defense centers. In the Graf Aswing barracks in Bogen the Bundeswehr Heros computer practiced interaction with its American counterpart Sigma. The Federal Border Guards and the police contributed effectively to the missions assigned to them.

A downright "opening performance" was the experimentation with military mails during the exercise--100 reservists under the command of Captain (Res ) Hans Beck tested at the same time a new system. Three military postal stations, Tuttlingen 72, Ulm 73, and Landsberg 74 were established as liaison points between the federal mails and the Bundeswehr. The 3rd company of the 8th Resupply Battalion (of the 1st Mountain Division) received the mail and sent it along with other resupply goods on to the resupply companies of the various large units. From the resupply companies the military mail went directly to the combat battalions where the SI handed them out to the soldiers.

At the end of the exercise the Commander, Lt Gen Werner Lange, praised the efforts of the forces: "Whoever fulfills his mission under such extreme weather conditions in such an outstanding manner proves that he would do it by far in normal circumstances." The Federal minister of defense, Dr Manfred Woerner, who questioned soldiers about their attitude in darkness, wetness and cold, and heard positive comments, stated with approval: "I am delighted by the attitude. It proves the old experience that the draftees, but also the reservists, give their best when they are immediately challenged. This also shows that the stupid cursing over the young generation is completely false..." Woerner also pointed to the good cooperation between the field and territorial army, and expressed his gratitude to the population for "unusually friendly reception in the maneuver area." On the other hand, the minister regretted that the Eastern Bloc--although officially invited--had not dispatched a single observer to the maneuvers. Whether this was planned or not, there were unofficial observers aplenty--river craft with unmistakable antennas on the Danube, vehicles of the Soviet military mission, and numerous trucks with GDR license plates.

#### Lionheart--Exercise of Superlatives

Besides the comparatively modest army exercise '84 the British Lionheart maneuvers with 130,000 participants and some 120 million marks in expenditure seemed to be an exercise of superlatives in almost every respect. With its two parts,

Full Flow and Spear Point, Lionheart was the biggest maneuver to take place in Europe since World War II. With this large-scale exercise Great Britain demonstrated impressively its ability to reinforce NATO forces in the shortest possible time.

The Full Flow part of the exercise was devoted exclusively to tests of methods of quick reinforcement during periods of tension, and of new tactics and equipment. According to an exact schedule some 24,000 soldiers and 14,500 wheeled vehicles were loaded in Great Britain, landed in Belgium, and then moved to combat areas in Eastern Westphalia and Lower Saxony. Another 35,000 troops were brought to North Rhine-Westphalia on board of chartered aircraft--ranging from the small Fokker F-27 to Boeing Jumbos--and landed on the RAF bases at Guetersloh and Wildenrath, as well as the civilian airports at Duesseldorf and Hannover.

For this reinforcement some 40,000 so-called territorials and reservists had been mobilized in the British Isles, and the 2nd Infantry Division had been put on alert. The total force was almost 60,000 men. They were supported by units of the German Territorial Army in their movement through the III Military District and the crossing of the Rhine. Some 300 engineers of the 800th Riverine Engineer company (Neuwied) and the 081st (Krefeld) with 18 ferries hauled some 15,000 British soldiers and some 5,000 trucks and tanks across the Rhine at 5 ferrying points within 30 hours. The bridges had been declared unusable for the purposes of the exercises.

Smooth traffic on the routes of march into the deployment area was assured by the 730th military police battalion from Duesseldorf in connection with the police. The traffic control department of the III Military District Command planned and coordinated rail and road movements.

The second part of Lionheart--Spear Point--represented actual combat operations that took place south of Hannover and Hildesheim.

The "evil enemy" Orange, invading from the East, was commanded by the Commander of the 1st German Panzer Division, Major General Henning von Ondarza, and was composed of an "international" force, including one brigade of the 2nd U.S. Armored Division from Garlstedy, the 41st Dutch Armored Brigade, and the 1st German Panzergrenadier Division from Hildesheim.

The Blue defenders included almost the entire I British Corps with the 3rd and 4th Armored Divisions and the 2nd Infantry Divisions brought over from England in the course of Full Flow and kept behind the two armored divisions as reserve. The German Home Defense Brigade 53 was allocated to it as reinforcement. For the latter Lionheart was the first great test. For the first time it was subordinated to a NATO commander, the British Major General P. A. Inge. Said Brigade General Alfred Kendzioras about the subordination, "We speak two languages but we have only one mission!"

In the course of the Lionheart exercise the British tested numerous new weapon systems; on a small scale this had been done in training areas, but never before on large-scale maneuvers and long-distance marches. Included were the Tracked Rapier air defense tank, the Challenger battle tank with its 120-mm cannon and



Chobham armor, the MCV 80 armored personnel carrier, and also the 6th Airborne Brigade in an antiarmor role for the rapid establishment of antitank concentrations. The use of helicopters played an integral part in the large exercise. In one maneuver scenario, for example, 20 antitank Lynx helicopters attacked an Orange armor thrust with 160 TOW antitank rockets. They approached the firing position at extremely low altitude, often only three to six meters above ground. They flew under high tension wires, sometimes even under telephone lines, they "crept" behind walls and hedges.

British commanders did not seem to be fully pleased by the engine performance of the new MCV 80 armored personnel carrier. Vibrations were detected during demanding cross-country movements.

#### "An Example of Active Deterrence"

One of the highlights of Lionheart took place on 24 September. On that day the Blue forces began "the greatest attack of the British Army since the last war." Participating were the two armored divisions and the 2nd Infantry Division with a total of 35,000 men and 525 tanks. The Orange forces, now put on the defensive, had previously been reinforced by British infantry detachments. The maneuver combat, here also often downright mud battles, ended on 26 September when Blue forces pushed the invading Orange force back across the "imaginary" border.

After the conclusion of the exercise the Commanding General of I British Corps, Sir Martin Farndale, stated at the concluding press conference: "I hope that you have seen in these maneuvers an example of active deterrence. History has shown that wars usually break out because of the weakness of one side or the other. Well-prepared opponents usually do not make war on each other."

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MILITARY

GREECE

BRIEFS

SPECTACULAR ARMS SALES--Greece has dynamically entered the field of arms production and exports. These were the findings of KEEM [Center for Exports Research and Studies], which studied our export activities for the period January to September 1984. According to the KEEM data, the export of arms and ammunition during this period was spectacular, with a tendency toward further development. Among the countries which presently purchase Greek arms and ammunition are Portugal, Burundi, the Philippines, West Germany, England and Zambia. [Excerpt] [Athens TO VIMA in Greek 10 Jan 85 p 2]

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MILITARY

NORWAY

## SOVIET BUILDUP IN KOLA WEAKENS ARGUMENT FOR NUCLEAR FREE ZONE

Oslo AFTENPOSTEN in Norwegian 27 Dec 84 p 2

[Commentary by John Berg: "Debate Regarding Zone and Freeze--and Northern Regions: Soviet Union's Forces Erroneously Assessed"]

[Text] An important reason for the significance the proposals for nuclear-weapons-free zones and a freeze have been given in Scandinavia is that our picture of the Soviet Union's forces differs qualitatively from the analyses which form the basis of the debate in Central Europe. The main difference is that the Scandinavian picture is characterized by numerous postulates, whereas in Central Europe emphasis is placed on the operational capabilities which can be read from the forces' organization.

The Scandinavian picture is a purely political product. Norwegian military men, and certainly also their Scandinavian colleagues, realize that it is the operational dynamics which are the heart of the matter. But especially in Norway, information activities are dominated by the political quarter. The time is ripe for assessing to what extent a shifting of information resources and duties to the armed forces chief can contribute to a more varied picture as a basis for further debate.

### Kremlin's Wishes

The zone debate is characterized by ideas about renewed Soviet efforts on the Kola Peninsula, in the Baltic, and several other nearby areas. If we make a comparison with the debate in Central Europe regarding the consequences of the operational maneuver groups and other new Soviet organization models, one is struck by how natural it must be for the Kremlin to gamble on Scandinavia's being drawn into agreements in which the operational realities on the Soviet side are overlooked. The problem can be illustrated by two factors, each of which in itself should overturn the entire Scandinavian debate: the reorganization of the Soviet operation theaters, and the organizational uniting of the Soviet Union's long-range and medium-range fighter planes into separate air corps.

"Theater" in North

It is well known that the two motorized infantry divisions on the Kola Peninsula form a part of the Leningrad Military District, together with some other forces. The zone advocates imagine that here it is possible to draw a geographical line so that the Soviet renewed efforts will apply to forces inside this line. The reasoning overlooks the fact that the Soviet army's units in war will operate in armies and fronts, and that the army, air force and naval forces and various special forces will carry out massive coordinated operations within the framework of what the Soviet Union calls operation theaters, or "strategic directions."

The heart of the matter is, accordingly, not to find geographical lines, but to look straight in the face which forces form a part of the operational military organizations which point toward Norway and the rest of Scandinavia. It ought to be the very foundation of our debate that on the Soviet side there is now an Operation Theater North. Our strategically important areas lie at the end point of a "strategic direction"--to keep to the Soviet terminology.

### "Arctic Front"

To all appearances, the two divisions on the Kola Peninsula, together with a third division and some support units, form a part of the Soviet army's Sixth Army. The pattern convincingly suggests that the six remaining divisions in the Leningrad Military District and a number of support units will be divided in war time into the 27th and 30th army corps. Together with the Sixth Army they will operate as three armies and constitute a front which we can call the "Arctic Front." Such a front is the main operational element in the Soviet army. It is not a kind of "first line" out in open country, but a command and organization structure which can coordinate and forcefully unite very large and mobile forces. The "Arctic Front" points toward the strategically important areas in North Norway. Casually selected geographical lines cannot change this operational reality.

The "Arctic Front" forms a part of Operation Theater North. (For further details, cf. John Berg, "Truselen mot Norge" [The Threat to Norway], Universitetsforlaget, 1984.) An operation theater--a "strategic direction"--can coordinate up to six forms of operation: front operations (accordingly, conventional ground forces); aircraft operations; antiaircraft defense; air-and-land operations; landing operations; and naval operations.

It is possible that in addition to the "Arctic Front" a Sweden front can be brought into action within Operation Theater North. Denmark and South Norway, on the other hand, lie in the way of the "north front" within the gigantically large Operation Theater West, which covers Central Europe. This operation theater and its operational elements are at the focus of the debate in Central Europe. Norwegian politicians ought soon to discover the parallel on the north flank.

### Planes and Freeze

Confronted with such military realities, the zone plan crumbles away. And what meaning does a freeze have with the number of strategic nuclear weapons the Soviet Union has at its disposal, when new operational forms of organization strongly increase the capacity to forcefully unite the existing weapons anywhere whatsoever in Europe? In close proximity to the operation theaters the Soviet Union has gathered its long-range and medium-range fighter planes into five large air corps, which provides strongly increased opportunities for suddenly forcefully uniting heavy concentrations of planes within one operation theater, in order to a short time later bring them into action in another operation theater. In the face of such operational dynamics, a freeze is of just as little interest as restricted geographical zones. For this reason, a freeze also contributes only to strengthening the Kremlin's hope of its being possible to maneuver forth superficial agreements which do not reduce the Soviet forces' operation capabilities.

#### Negative Effect

The air corps closest to Scandinavia has its headquarters in Legnica in Poland; cf. "Truselen mot Norge." That this aspect has also not entered the debate tells us that the one-sided political analysis and information activities do not succeed in grasping even the most important features of military developments. This has negative effects also on the debate regarding the building up of our own armed forces. The whole thing confirms that the armed forces chief must be given an active and independent role in the information sector.

8985

CSO: 3639/44

MILITARY

NORWAY

DEFENSE MINISTER: SOVIET KOLA BUILDUP SHOULD BE COUNTERED

Oslo AFTENPOSTEN in Norwegian 21 Nov 84 p 7

[Article by Einar Solvoll: "Allied Effort Against Soviet Buildup"]

[Text] "The Soviet Union's military buildup, including on the Kola Peninsula, must be met with a combined allied strength effort. A strong Norwegian defense effort is a condition for political and practical support from our allies, and we cannot count on allied help if we ourselves are not willing to pull our share of the load." Defense Minister Anders C. Sjaastad emphasized this yesterday during the discussion in the Storting of the armed forces budget for next year.

Cabinet Minister Sjaastad emphasized that it is fundamental for the defense of our country that conditions be better arranged in order to be able to receive allied forces, but at the same time he cautioned against measuring our strength against that which has been built up by our superpower neighbor, which has a more global aim.

Armed Forces Committee Chairman Knut Frydenlund (Labor Party) also pointed out that the Soviet Union the last 10 years has undertaken formidable modernization of its armed forces, and said it is dangerous to underestimate a potential opponent's strength. But it is also not a favorable situation to overestimate it. Both politicians and military men must ask themselves the question, why the Soviet Union seems to get more weapons and equipment out of its appropriations than the Western countries do, Frydenlund said, who in this connection recalled that the Soviet armed forces budgets had an increase of four percent up to the middle of the 70's, whereas the increase has been more than halved after that time. Frydenlund pointed out that Western deployment has not resulted in counterbalancing of Soviet superiority. On the contrary, the result has been that the Soviet Union's superiority has just become greater.

The Conservative Party's chief spokesman, Thor Knudsen, emphasized that the Soviet Union's nuclear weapons buildup must be met with an equivalent counterbalance in order to create a more satisfactory balance and strengthen NATO's combined war-averting capacity. Unfortunately, it cannot be denied that this involves a buildup, but the situation does not at all have to be permanent, Thor Knudsen said, who recalled that the NATO countries have declared



themselves willing to stop the deployment and possibly withdraw deployed missiles if a satisfactory negotiation result can be achieved.

Thor Knudsen otherwise criticized the Labor Party because they want to reduce the armed forces budget by 70 million kroner in order to create a real growth of only three percent, at the same time as this money will be taken from appropriations for the conventional armed forces, which applies to materiel and new procurements.

He thought it is rarely that the Storting has managed to demonstrate a more conspicuous lack of a connection between life and teaching, including the fact that the party said they wish to strengthen the conventional armed forces in order thereby to reduce NATO's dependence on nuclear weapons.

The Progressive Party's Bjørn Erling Ytterhorn advocated an entirely new basic policy, which rescinds the prohibition against having allied units stationed on Norwegian soil in peace time. "We are preparing for American marines to have their weapon stockpiles in Trøndelag, while they themselves are in America. The Soviet Union has gotten aircraft carriers and is superior navywise, and it is doubtful whether allied military forces can operate in a war situation on our side of the North Sea."

"With British, American and Canadian forces permanently stationed here at home, an attack on Norway will automatically result in a war with the USA, Great Britain and Canada," he said.

The Christian People's Party's main spokesman, Ottar Gravås, said that the main purpose of our armed forces must be to avert a nightmare such as we experienced in the years 1940-1945.

"Preventing war from breaking out in the country can best be achieved when our armed forces have a strength and credibility which clearly makes it known that it will cost something to attack us," he said.

The Socialist Left Party's Stein Ørnhøi, however, thought that Norway under no circumstances has any possibility of withstanding an invasion from a superpower which really wants to assault our country. A conventional invasion defense is an impossibility. On the other hand, Norway has unusually good conditions for building up an occupation defense.

"In other words, we can create a defense, both military and non-violent, which makes it impossible for a superpower to keep Norway occupied. And thereby it will also be possible to make an invasion futile," he said. Ørnhøi directed strong criticism against the government because Norwegian airfields continue to be enlarged with an aim toward being able to receive American fighter planes which can also be set up with nuclear weapons.

The Liberal Party's Hans Hammond Rossbach advocated an entirely new armed forces structure, which he outlined in a number of points. Among other things, first-time service is to be reduced to six months, but with review exercises each year and with greater flexibility for the entire armed forces.

The Center Party's Ambjørgh Saelthun took to task the government's proposal that the Storting's restriction against women's service in the armed forces should now be rescinded--something Defense Minister Sjaastad was able to report quite practically speaking would be able to take place without unnecessary delay.

Saelthun thought it was impossible to say how many would, with this, announce themselves interested in going actively into the armed forces. He did not believe there would be any big influx of women into such a voluntary service. It has been demonstrated also in other male-dominated jobs that women are not as a matter of course interested in taking over in their fields of work. In any case, this will result in a readjustment and adaptation process for personnel of both sexes, Ambjørgh Saelthun pointed out.

8985

CSO: 3639/44

MILITARY

NORWAY

BRIEFS

GROWTH IN MILITARY BUDGET--The armed forces budget for next year has a total scope of 14.3 billion kroner. This is a real increase of 3.5 percent and then some, as compared with this year. The government's bill got through uncut during the debate in the Storting yesterday. All opposition parties proposed both increases and cuts in the budget, which were voted down one by one by the coalition parties. The Labor Party advocated a real increase of three percent. The Socialist Left Party proposed its own armed forces alternative, which just their own voted for. But a Socialist Left Party proposal that "nuclear weapons be left out of defense plans for Norway" also got support from the Liberal Party and the Center Party's Ragnhild Q. Haarstad during the voting. The Socialist Left Party voted against all appropriations for what the party called the NATO armed forces, except for nearly 325 million kroner for the coast guard. [Text] [Oslo AFTENPOSTEN in Norwegian 21 Nov 84 p 7] 8985

CSO: 3639/44

MILITARY

SWEDEN

# SOVIETS' 1952 PATROL PLANE DOWNING REASSESSED

Stockholm DAGENS NYHETER in Swedish 10 Dec 84 p 6

[Text] After the dramatic Swedish-Soviet Catalina aircraft affair in June 1952 when two Swedish aircraft were shot down over the Baltic Sea, the rules governing how Soviet aircraft should behave were changed. From then on, orders from headquarters to shoot down intruding aircraft were required if, after being warned, they turned around and flew out to sea. Before that, the Soviet Union and other Warsaw Pact countries had rules that stated that an aircraft that violated their territory should be pursued and shot down if it did not obey a summons to land. Those orders applied even if the plane managed to get out over international waters.

## New Documents

This information was obtained from new documents on the Catalina affair that have been released by the Ministry of Foreign Affairs at the request of the TT (Press Wire Service Inc).

Two polish combat pilots landed on Bornholm in the summer of 1953 and the Swedish authorities obtained a great deal of information from them.

Information on military air bases and radar stations was also obtained from those interrogations. How these documents came into the hands of the Swedish armed forces 30 years later is not apparent.

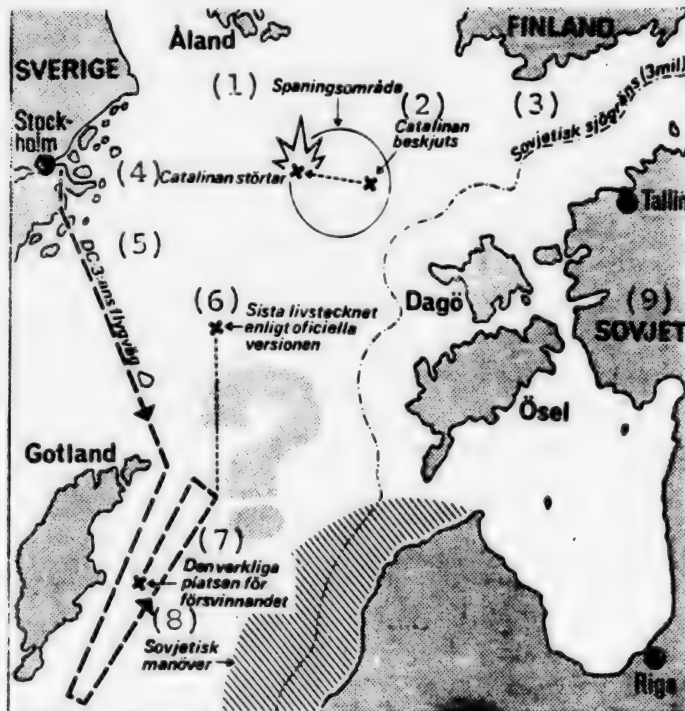
The Ministry of Foreign Affairs is releasing nine maps with documents concerning the Catalina affair, but there is additional material that cannot be released for security reasons.

"But the matter is still being investigated," the Ministry of Foreign Affairs' records chief, Wilhelm Carlgren, has assured the TT's Anders Jorle. Foreign Minister Lennart Bodstrom decided to release the documents.

Notes covering conversations are included in the material that is now being made publicly available from former Prime Minister Tage Erlander's state visit to the Soviet Union in 1956, when a number of controversial questions were discussed. At that time, Krushchev expressed regret in general terms over what

had happened in 1952 but stated that the Soviet Union had had to defend its boundaries at that time.

Two Swedish aircraft were shot down by the Soviet Union in 1952. A DC 3A with eight men aboard was shot down. A Catalina on reconnaissance suffered the same fate.



Key:

- |                                       |  |
|---------------------------------------|--|
| 1. Area being reconnoitered           | 6. Last sign of life according to the official story |
| 2. Catalina fired at                  | 7. The actual place where disappearance took place   |
| 3. Soviet territorial limit (3 miles) | 8. Soviet maneuvers                                  |
| 4. Catalina crashes                   | 9. Soviet Union                                      |
| 5. DC-3A's flight route               |  |

9266

CSO: 8150/0596



ECONOMIC

DENMARK

## EC POLICIES CREATING CRISIS FOR DAIRY FARMERS

Helsinki HELSINGIN SANOMAT in Finnish 23 Dec 84 p 17

[Article by Jussi Jalkanen: "EC Milk Policy Confused -- Danish Production Remains Within Quotas"]

[Text] Oro--Ole Nielsen, a Danish farmer, 40, has learned to live with milk quotas in the last 8 months. A production limit in the European Community (EC) has forced Ole to sell 10 milk cows. He does not like quotas, but says that they are not a catastrophe.

"What would have been the alternative? An approximately 15-percent price reduction would have been a much worse solution," says Nielsen.

A total of 15,000 cows have disappeared from Denmark and production has remained just under the limits of the quotas. According to the Danes, this success is a result of the fact that unlike other EC-countries the farmers' own creamery organization regulates and operates the system in the country. Thus it is not official.

An hour's drive from Copenhagen on the island of Oro, Ole Nielsen manages a farm that is large even by Danish standards, on which hog fattening and grain production also act as a counterbalance to milk production. The Brosogard farm owned by Nielsen has 109 hectares of field and a little less than 100 milk cows and nearly the same number of young head of cattle. There are 240 pigs.

The quotas are not as great a burden on such a large producer of milk as they are on neighbors producing more modest amounts of milk.

"The greatest difficulties are being experienced by such farmers who have recently invested in the expansion of already existing production. Those who have recently made large investments can be helped with a distribution of quotas, but those young farmers, for example, who would now like to increase current production are in a difficult situation," thinks Nielsen, who is also influential in the administrative organs of local producer organizations.

## Denmark Reducing Production

In accordance with a joint agreement of the EC-countries, Denmark has obligated itself at the national level to reduce its milk production by 5.6 percent from last year. Within Denmark a decision has been made to limit production of farmers by 6.7 percent regardless of the size of the farm. The "savings" of a full percent will be used to aid problem cases. The differential will be distributed in the form of special production-rights to farmers who just invested a large amount without bringing production to full capacity. Those receiving assistance will also include those suffering from the latter, and so on. In all cases the quota will be reduced from the 1983 production level.

The EC's quotas will now be in effect for 5 years and Denmark is obligated to reduce production beginning at the end of March for the next 4 years by 6.6 percent from the 1983 level. Denmark's milk production at that time was 4.882 million tons.

The experts in the Danish Producers' Organization admit that the room left to maneuver in the event of difficult cases is too small. Production on farms should have been reduced by 10 percent so that problem farms could be dealt with satisfactorily.

## Ceilings on Creameries

In Denmark the quotas are distributed among the creameries. Each creamery, thus, has its own ceiling, within which it can operate freely. In this way a portion of a quota not filled by a farm can be added to the quota of another farm according to mutually agreed upon regulations. If the quotas were distributed by farms at a national level, there would not have been any room for this kind of maneuvering.

Because of the EC's quota system, a complete artificial "super creamery" has been established in the country as a joint organ of all the creameries. This super creamery supervises production throughout the whole country and if necessary it can distribute the surplus production quotas of some creameries to other areas of the country. However, the super creamery cannot interfere in the transfer of internal shares in an individual creamery.

Denmark's rather producer friendly model conflicts with the EC's original idea and a commission is now considering legal actions. The adoption of legal action is, however, on rather shaky ground since in Italy and France the whole quota system has not even been put into effect.

France's agriculture minister has increased the indignation of the Danes by assuring his own farmers that they can produce as much milk as they want, the state will pay the fines. Italy, for its part, is not even entirely certain as to how much milk is being produced in the country.

In Denmark it is feared that next spring the milk issue will result in a solution entailing a purely national quota at odds with the fundamental principles of the whole Community. Thus limits would be restored within the EC and the

problems would become great as it begins to promote seemingly inevitable grain quotas, among other things.

The discrepancies regarding quotas in Southern European countries has forced the EC to postpone the payment of fines for exceeding the quotas several times already. Originally, the situation was to be rectified in July already. Then the matter was postponed until the middle of November when production had been reduced sufficiently enough that now it is being considered whether the whole issue of fines should be resolved at the end of March when the milk year comes to an end. At the same time parties have been persuaded to reduce the fines by half.

The quota system was not in effect in the middle of November in Italy, France, and Belgium as well as partially in Ireland. In addition to Denmark, only England wants to see the quota system put in order.

"If the system does not function in other countries, Denmark does not want to be the gentleman of the system," says farmer Nielsen in the modern house located on the more than 100-year old farm.

For the time being the Danes are restraining their evident irritation. Agriculture represents an important export industry and, therefore, the attitude toward EC-membership is almost without exception positive. Denmark exports two-thirds of its agricultural production and 56 percent of this goes to EC-countries so that a fuss is not being raised for nothing.

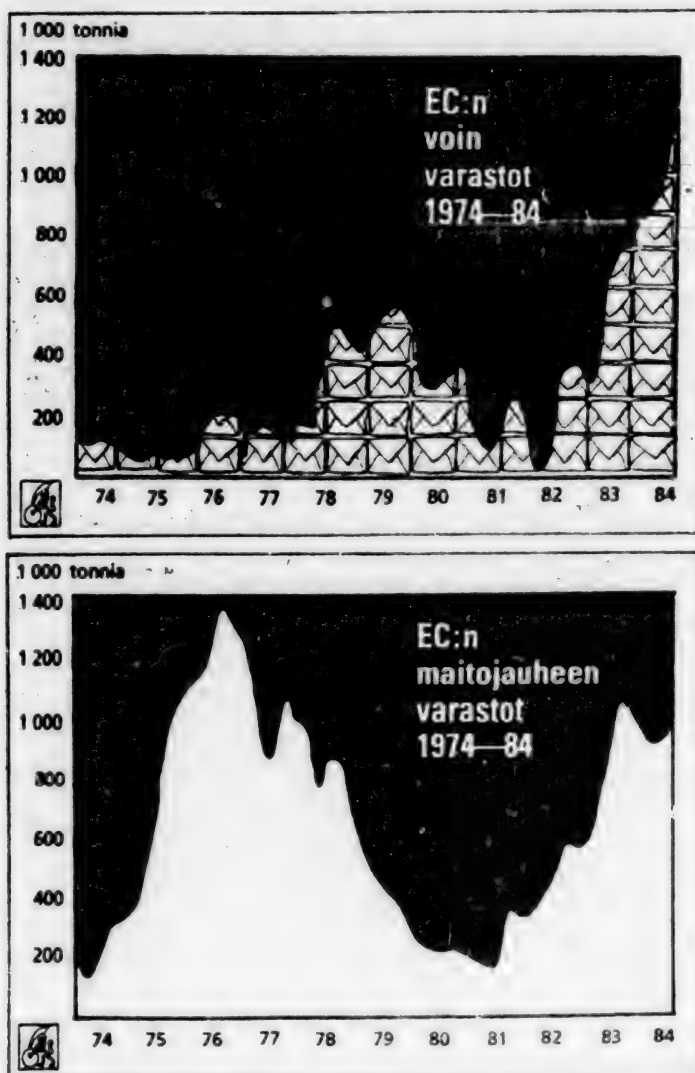
The Danes have remained within the limits of the quotas established at the beginning of April. The farmers are quick to admit that they were frightened by the situation especially at first when production was reduced by even as much as 10 percent. There are, however, differences between farms. Transfers of quotas within the creameries have helped the group of small producers. And the temptation to devour additional liters does not become too great for everyone.

"There could be problems next year if the indiscreet behavior continues in other countries," thinks Nielsen.

The selling of 10 cows from a herd of 100 does not, indeed, mean a catastrophe, but even this requires some accommodation. Nielsen sold cows which produced less and as a result he has now exceeded his quota a little just before Christmas. At 2-week intervals the creameries send out a computer runoff, which gives the current status and the situation in the whole country. Nielsen's balance was 101.44 percent and this meant a fine of approximately 6,000 markkaa.

Simplified, Denmark's system means that the Danes must pay 2.31 kroner in fines per liter if the whole country's quota is exceeded. The fine is paid on excess liters and it is substantial since the base price is 2.46 kroner.

"I hope that others will have a surplus from their quotas so that I will not have to pay anything in the end," says Nielsen.



Key:

Upper graph: EC's Butter Reserves 1974--84

Lower graph: EC's Powdered Milk Reserves 1974--84

tonnia = tons

In addition to a farm manager, Nielsen employs a hired hand or a tractor driver in today's language. Previously he had two apprentices, but he let one of them go after selling the cows. The manager's wage is approximately 7,000 markkaa.

The annual sales turnover of this largest farm on the vacation island of Oro (in the summer the population swells from 650 to 4,000) is a little less than 2 million markkaa. He pays an annual interest of approximately 190,000 markkaa on loans. He is satisfied with the 2.79-kroner price of milk (farm price 162 pennies), the pigs produce "very well" and even the grain crop was nearly one-third greater than normal this year. A farmer on Oro receives an extra

amount for the price of a liter for the reason that he lives near the large consumer area of Copenhagen. Denmark's milk production is becoming ever more concentrated on Jylland and thus transportation costs are also increasing.

Nielsen is thus satisfied, but the farmer in him comes out enough for him to emphasize: "Last year was really bad as far as grain is concerned..."

Nielsen's farm is large enough that he has more opportunities at his disposal than the small Finnish farmer to cut costs. A few weeks ago he installed a computerized feeding system, which controls the amount of fodder a cow can eat from the trough.

"The quota system was one incentive for acquiring the computerized feeding system. Thus I am able to optimize feed consumption, and, for example, the 'free hand' of a part-time worker does not give too much feed to the animals," says Nielsen, who is also awaiting the day when the machinery manufacturer comes up with a device which can also be directly connected to a milking machine. Then feed consumption, milk production, stud servicing, and the most beneficial time for slaughtering can be automatically calculated.

"An approximately 60,000-markka investment will pay for itself in 3--4 years," says Nielsen.

What bothers Nielsen the most in the quota system is that he will have to postpone the construction of a new barn for an additional 50 milk cows. The present barn was built at a cost of 900,000 markkaa, but a new one half its size would now cost the same amount.

10576

CSO: 3617/53



ECONOMIC

FINLAND

#### FINANCE MINISTER SEES SLOWDOWN IN EXPORT GROWTH

Helsinki HELSINGIN SANOMAT in Finnish 15 Nov 84 p 37

[Text] In Finland the economic upswing has so far been based largely on exports, since consumption has only increased slightly and investments have remained stationary. Export growth probably began to slow down after the end of the year and the expected increase in domestic demand, especially in industrial investments, is supporting growth.

This was confirmed in the economic review published by the Finance Ministry on Wednesday, according to which economic growth in the fall in general conformed to earlier predictions. Exports and the foreign trade balance progressed even better than anticipated, whereas, on the other hand, investment growth, according to the figures, appeared to be slightly slower than anticipated.

"This year housing construction investments declined. During the first half of the year the recovery in machine and equipment investments was slight, but they are now picking up. Among other things, high interest rates seem to have increased business firms' finance investments and postponed the launching of investment ventures," they state in the economic review.

According to the Finance Ministry, there will be no reason for tightening up on the housing policy during the next few months. The ministry recommends that, since the finance and money policies are now simultaneously very tight, it would be reasonable to examine the full extent of economic policy restrictions in the near future and consider the alleviation of some of the restrictive measures.

In January-September the volume of Finnish goods exports increased 10 percent in comparison with the same period last year. Paper and chemical industry shipments increased most rapidly, but during the past few months textile, clothing and leather industry as well as metal industry shipments have also increased, they state in the economic review. Lumber exports, on the other hand, have not yet increased.

## Export Prices Have Risen

"The period of fastest growth of goods exports will probably be over after the end of the year. During the past few months goods trade export prices have risen considerably and this rise will continue at a slower rate next year. Since import prices have risen very little and since their rate of increase will probably not accelerate during the next few months, the foreign trade balance will probably improve. It has improved 4 percent this year," they state in the economic review.

In January-September the trade balance surplus was 4.1 billion markkas, which meant a 5-billion-markka gain over the same period last year. The trade balance did not improve that much because, among other things, project revenue from abroad declined.

In January-August manufacturing industry production increased 5 percent in comparison with the year before. In the forest industry pulp and paper production increased by over a tenth. In the metal industry the manufacture of machines increased to the same extent, but the manufacture of metal products decreased by a few percentage points. Production growth in the consumer goods industry sectors was slight.

According to the review, with the fall industry's economic expectations have been somewhat lowered. The degree to which industrial capacity was employed was still rising during the third quarter, but it is expected to drop slightly in as soon as 6 months time. Lumber industry prospects in particular have declined.

## Good Prospects in Metal Industry

However, prospects in the metal and consumer goods industries are fairly good. Aside from exports, the gradual recovery of domestic investments is supporting the growth of the former and exports and private consumption that of the latter. The Finance Ministry estimates that during the next few months industrial production will grow at the same rate it has so far this year.

Logging timber for the market has picked up sharply since the spring lumber agreement. According to the Finance Ministry, the industry's logging prospects during the next few months do seem to be good. Logging will also continue to be active during the first half of next year.

In January-September the number of employed workers was 30,000 greater than during the same months last year. Also, because the labor supply was still increasing considerably, the percentage of the labor force that was jobless did not, however, drop below that of last year.

"The unemployment rate for the whole of this year is about 6 percent. Unemployment will increase during the winter, but will probably be less than last winter," the Finance Ministry estimates.

The growth of private consumption accelerated during the second half of the year. Especially the demand for durable consumer goods like electronic equipment for entertainment purposes, but also passenger cars, is appreciably increasing. Private consumption for the whole year is 3 percent greater than last year.

#### Purchasing Power Growing

"The purchasing power of the domestic economy is still growing, but high real interest rates are cutting down on people's willingness to incur debts and increasing savings. Private consumption will probably also grow more slowly than the purchasing power of the domestic economy during the first half of next year," they predict in the economic review.

According to the review, during the past few months inflation has slowed down in accordance with expectations. Rises in oil product prices have to some extent increased inflation pressures, but the 12-month rate of increase of the consumer price index will, nevertheless, probably slow down to about 6 percent by the end of the year.

This year the wage-earners' earnings-level index is nominally 9 percent and the actual index is 2 percent higher than last year. The foreign trade balance has improved to the extent that the slight rise in the threshold of the wage-agreement index is within the limits of our means.

While the inflation rate is clearly slowing down, in the review they state that our ability to compete will probably be slightly lessened since costs rise more slowly in our biggest competitor countries than in Finland. "For this reason we must see to it that sliding wage scales and other cost increases do not get any larger in a way that would seriously affect the economic situation. In addition to this we need to alter agreements between firms that raise cost and price levels and otherwise reduce structural factors that sustain inflation," the Finance Ministry asserts.

11,466

CSO: 3617/29

ECONOMIC

FINLAND

## SLIGHT DECLINE EXPECTED IN HOUSEHOLD PURCHASING POWER FOR 1985

Helsinki HUFVUDSTADSBLADET in Swedish 14 Dec 84 p 11

[Text] Household purchasing power, including for example income transfers, is expected to increase this year by 10.5 percent nominally and by 3.5 percent in real terms, while next year the development is estimated to be an increase of 9.5 and 3 percent, respectively. In comparison with other countries, a 5-percent deterioration in industry's competitive ability is apparently taking place this year, and about 2 percent for 1985, according to calculations. This year consumer prices are expected to rise 3-4 percent faster in Finland than in the most important competing countries on the average and 1.5 percent more next year.

The purchasing power of the wages alone is expected to increase this year by 1.5 percent and next year by 0.5 percent, while last year this increase in real gain amounted to 2 percent.

These figures were presented by the Income Policy Study Panel on Thursday.

For the development of the wage earners' level of earnings, the committee indicates an increase by 6.8 percent from the fourth quarter of 1983 to the last quarter of this year, of which 4.6 percentage points consist of raises stipulated by wage agreements and the remaining 2.2 percentage points of sliding wage adjustments and structural changes.

During the present year as a whole, the wage earners' income level is calculated to grow by an average of 9.2 percent, 6.7 percent of which are a result of wage agreements and 2.5 percent other components. The corresponding figure for last year was a total of 10.4 percent, and 7.9 percent and 2.5 percent, respectively. The proportion of sliding adjustments etc. has thus increased.

### Uneven Increase

The estimated increase this year in the private sector amounts to 9.4 percent, for state employees 6.6 percent and for the municipal sector 10.6 percent. In 1983 it was more even, that is to say 10.1, 10.9 and 11.5 percent.

These earning figures include only wages for regular working time, while the abovementioned total purchasing power or disposable income includes various social income transfers as well.

On the part of the wage earners, the real total purchasing power increases one-half percentage point less on the average than for the households, that is to say by about 3 percent. This is due to better income formation in other household categories. Of the 3-percent figure, about half comes from improved employment.

This year the net tax level of the households increases 1 percentage point, and reduces the increase in total purchasing power by 1.5 percentage points.

### 'Inflation Should Be Checked'

The consumer price index is expected to rise about 6.25 percent from December 1983 to December this year. From December 1983 to October this year a 6-percent increase has occurred. The government's goal for this year has been an increase in the consumer price index of 7 percent, on the average. The study panel calculates the increase for the period December 1984 to December 1985 at 5-6 percent, or an average of about 6 percent for next year.

Regarding the government's goal of 5 percent for next year, the Income Policy Study Panel stresses that the domestic cost development should therefore be checked. In order to be able to limit inflation to no more than 5 percent, some measures of economic policy may also be required in order to alleviate the cost pressure.

Director general Pertti Sorsa of the Finance Ministry's supply section said yesterday that no such measures have been discussed in detail, but that a lowering of interest rates had been mentioned and that financial policy measures could also reduce the cost pressure.

### The Price Increases

The 6.25-percent inflation figure above is composed of indirect taxes, plus state prices and surcharges totalling 0.6 percentage point, agricultural standard price products 1 percentage point, housing costs 1 percentage point, import prices 2 percentage points and other factors a net of 1.75 percent points, in which the productivity increase was taken into account with the same percentage.

The 5.5-percent prognosis for the period December 1984 to December 1985 consists of 1 percentage point for indirect taxes plus state prices and surcharges, agricultural standard price products 0.75 percentage point, housing costs 1.25 percentage points, import prices 1.25 percentage points and other factors a net of 0.75 percentage point, in which a decreasing item of 1.25 percentage points as a result of the productivity increase, among others, is taken into account.

### Increasing Taxation

Concerning taxation next year, it was determined that an inflation adjustment of 5 percent will take place according to the budget proposal, referring to



the inflation which was calculated for 1985 and not, as previously, last year's inflation figure which is higher. The insured's health insurance premium will increase by 0.25 penni and the general pension fund contribution by 0.1 percent. According to the panel, the net retained income by physical persons would grow by 0.4 percent. Taxation increases.

Finance Minister Ahti Pekkala (Center Party) said yesterday that international inflation over the next few years is not expected to increase, but in all likelihood continue to drop. An economic policy should therefore continue to be implemented in Finland which supports the force of competition. Inflation should be brought below the 5-percent level next year. Since wage increases have already been agreed on, the principal attention should be focused on sliding wage adjustments in wages and prices.

Minister Pekkala further states that the negotiations about the new agreements will evidently be conducted in a phase of economic downturn. One should therefore continue on the basis of the consensus policy with which one has had favorable experience, and preparations for the next round of negotiations should be initiated well in advance by all sides.

#### Could Imitate Austria

Yesterday director general Sorsa recounted a study visit made by the Income Policy Study Panel to Austria, where a broad consensus has prevailed regarding the basic course of economic policy. Recently, the financial problems of the state have become increasingly serious there, since the debt of the public sector has risen to 40 percent of the gross national product, that is to say twice as much as in Finland.

Although experiences in Austria cannot be directly applied to Finnish conditions, Sorsa believed that there might still be something for Finland to copy. He thought, for example, that one could ask oneself whether the field of organization in Finland is not overly split on the side of both employers and wage earners. In Austria a so-called business and industry chamber, with a single central trade union organization as its counterpart, is responsible for the negotiations on the employer side.

11949

CSO: 3650/102

ECONOMIC

FINLAND

BRIEFS

MEAT EXPORTS TO USSR--Next year Finland will export 9.5 million kilograms of beef and 5 million kilograms of sausage or other cured meats and provisions to the Soviet Union. The value of this quota is 175 million marks. However, it is possible that the deliveries will later be augmented by pork, as well as more beef or sausage. The first deliveries will take place in February, the Central Organization of the Farmers' Cooperative Slaughterhouses states. In 1984 Finland exported 14 million kilograms of beef and 7 million kilograms of sausage to the Soviet Union. [Text] [Helsinki HUFVUDSTADSBLADET in Swedish 28 Dec 84 p 14] 11949

CSO: 3650/102

ECONOMIC

GREECE

PROPOSED BUDGET TERMED 'ANTISOCIAL,' 'INFLATIONARY'

Athens MESIMVRINI in Greek 5 Dec 84 pp 6-7

[Article by K. Kolmer]

[Text] Mr Arsenis is depicting the 1985 budget as development-oriented, favorable to the working people, and well-planned.

But hidden behind this concocted image is a budget which is anti-developmental, which will lead to heavier taxation, and which is disorderly (atsalos),\* a budget which is contrary to economic progress and stability.

1. Consumption-oriented

On the one hand the ordinary budget, which customarily refers to the current expenditures of the State (salaries, pensions, benefits) is increasing by 29 percent--that is, by much more than the expected rise in income (and it is leaving a deficit of about 200 billion drachmas, without saying where the money will come to offset this).

On the other hand, the so-called "investment budget" contains many administrative and financing expenditures--even including the benefits for the unemployed--which of course are simply not "investments" even in the loosest sense of the term. If these appropriations are subtracted, then the increase in the so-called "public investments" for 1985 is below the inflation rate--that is, investments will once again decline on a constant-price basis.

2. Leading to Heavier Taxes

The budget also leads to heavier taxation. Despite the opposite picture which it tries to create, the tax burden on the economy will increase in 1985, since even though the increase in income is expected to be small (some 2 percent at constant prices, or 18 percent at current prices), the budget is aiming at an increase in tax revenues of 31-39 percent.

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\*A corruption of the word "atasthalia" [excessiveness] in the modern Greek language, which in Homeric times meant...a badly cooked meal.

But how can the returns from businesses on the one hand increase by 39 percent, and from workers on the other increase by 31 percent, when most of the former have suffered losses, and when the workers are already groaning under their many pay deductions?

Perhaps by wiping out tax evasion? But this year as well, as in previous years, such efforts have been made and have still been fruitless.\*\* More than 1/4 of the total income escapes taxation.

### 3. Antisocial

The new tax regulations are also socially unfair. Because they hurt the productive members of our society and are partial to various classes, without this having any economic utility. They excessively burden management personnel in businesses, higher-ranking civil servants, members of the legal profession, military personnel, and doctors. At the same time they spare the farmers, strengthen the exporters, and subsidize the deficits of the public enterprises (such as, for example, Olympic Airways--that is, those traveling by airplane, at the expense of taxpayers).

### 4. Fraudulent

1) First of all, the general budget of the State ought to show the total public expenditure.

But it does not do this, because it does not want to reveal:

The "appended" budgets of the various State funds.

The expenditures by the more than 50 public enterprises and organizations.

The expenditures of the Organizations of Local Self-Government.

The deficit from the "distressed" enterprises (24 billion drachmas).

If all these expenditures are counted in, the public outlays are not 1,784 billion drachmas--as the budget states--but more than 3,270 billion drachmas.

Which means that the State is spending about 73 percent, in fact, of the Gross National Product. And here is table which shows this graphically:

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\*\*The amount of revenues involved is unknown.

Expenditures in the Public Sector (billions of drachmas)

1. General Budget (does not include 40 billion drachmas earmarked for the deficit in payments for petroleum products)	1,784
2. Appended budgets	119
3. Social budget	560
4. Expenditures on public enterprises	720
5. Deficit from distressed enterprises	24
6. Expenditures on Organizations of Local Self-Government	64
	<hr/>
	3,271***

This percentage gives our country first place among the countries of the West with respect to the expenditure by the government, but without the corresponding level of services from the State (which is very close to that of the socialist countries, the Third World, or the East).

2) Secondly, in the budget there has been an ingenious concealing of the deficit.

More specifically, the budget:

a. Conceals the amortizations of the public enterprises (which are the result of loans). And when this deficit is added to the operating deficit of the 50 or so public enterprises, this brings their uncovered loss to 220 billion drachmas instead of the 136 billion which the budget tries to show.

b. Avoids revealing the loss in the petroleum-products account, which in 1984 alone reached 43 billion drachmas.

c. Never mentions the deficit from the more than 30 distressed enterprises which have been taken over by the State.

Thus the deficit in the public sector comes to 739 billion drachmas in 1985, compared to the 454 billion which the government is trying to show. That is, it will be higher than what is predicted by 62 percent, as the following table shows.

Deficit (billions of drachmas)

454 State budget
229 Public enterprises
41 Petroleum products
24 Distressed enterprises

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739(\*)

(\*) 4,540 implicit GDP = 16.3 percent as the deficit in the percentage of the GNP.

\*\*\*73 percent of the 1985 GNP (4452 billion drachmas).



## Instrument of Inflation

At this level of 740 billion drachmas, the deficit is indirectly equivalent to 16 percent of the national product. And what is more, it is certain from the experience of the past and also from the lessons of economics that this deficit will cause a rise in inflation of more than 20 percent.

In 1985, inflation in Greece will be four times higher than the average inflation internationally (5 percent), and this will undoubtedly bring about a new devaluation of the drachma. The purchasing power of the drachma will fall four times faster than that of the dollar--let us say--and even more rapidly yet compared to the mark or the Japanese yen.

"The budget of the State"--And. Papandreou said years ago--is "the chief organ of economic policy."

But instead of making the objective be a decrease in inflation, which has devastated our country for 13 years now, this budget will increase inflation even more in 1985.

Even if we accept the government's arguments that the deficit in the budget is only 590 billion drachmas, this deficit amounts to 13 percent of the gross national product. Which means that the money supply will increase at a rate double that of other countries, and this will give rise to an increase in inflation.

12114

CSO: 3521/113

ECONOMIC

PORTUGAL

#### DILEMMA OF PRIVATE VERSUS PUBLIC SECTORS VIEWED

Lisbon DIARIO DE NOTICIAS in Portuguese 21 Dec 84 p 6

[Editorial article: "Scorched Earth"]

[Excerpts] Immediately after 25 April, it was proclaimed that only public ownership was excellent and that private ownership was terrible. With the same demagogic certainty, it is being shouted today that only private enterprise is good and public is no good. The wave of privatization that involves economists and pressure groups, businessmen and political parties is reflected and has strong defenders at the level of parliament and the government. For them, the solution to our economic and social ills necessarily lies in the complete extinction of the state public enterprise sector. Once this is done, they let it be understood ambiguously that economic recovery will begin, the financial crisis will be surmounted and we will all be richer and happier.

The polemic is not new, much less exclusively Portuguese: in fact, in recent years an important debate about the role that the state should exercise in the economy and contemporary society has been observed in various countries. The Keynesian era, that was embodied in the welfare state, appears to have come to an end. The world economic recession, the increasing costs of social welfare, the high rates of inflation and unemployment, among other factors, are bringing about the so-called "conservative revolution," which favors greater economic freedom.

No one minimally impartial can fail to recognize the importance of private activity in the economic development of the country. It is known also that the bureaucratizing hypertrophy of the state--which among us does not stop growing in terms of central, regional and local administration--leads to economic impoverishment and, if you will, to the limitation of individual freedom itself. In a world in the process of change by the force of constant technological innovations, the discussion of the role of the state in the Portuguese economy and society is, therefore, not useless. Rather, it more and more assumes the nature of a necessity.

However, the debate should be joined on the basis of concrete data and realities, not simply provincially imitating what is seen or heard on the outside. Put an end to the public enterprises at all costs? Very well.

And afterwards? Will the private businessmen want to keep them all? Should those classified as not viable be eliminated purely and simply, making the country dependent and vulnerable in various areas as, for example, that of fertilizers? In short, it would be worthwhile if our people in charge were a little more averse to glib and oftentimes not very sensible words.

It seems that, before anything else, a strategy and a policy should be defined in order to make a choice afterwards. If state ownership is not a solution by itself, neither will be the return to past. Should we create an economic system in which the companies have an eminently competing structure? Should we create a system with fewer laws and more justice? Why not? But is that trend and that need incompatible with the existence of public enterprises essential to the country? Despite everything, we refuse to believe that that is the intention of the proponents of the "scorched earth" policy.

8711

CSO: 3542/82

ECONOMIC

PORTUGAL

EEC MEMBERSHIP DELAY HUMILIATES PORTUGAL

Lisbon A TARDE in Portuguese 20 Dec 84 p 8

[Article by A.B.C.: "Pound on the Table"]

[Text]: For 10 long years, we have been witnessing the dance of the European Economic Community (EEC). Full of hopes today, humiliated tomorrow; now full of certainty, a little later empty-handed. The EEC is the universal panacea for our misfortune. From it will come efficiency, modernization, good market habits, the morality that tells one to pay what he owes. Above all, from it will come the money, the open-fund subsidies, a sort of social welfare for which the country discounts, receiving more than it gives; the big customers, the consumers of premium tomatoes, the distributors of authentic Port wine--salvation.

But the dance is beginning to turn sour. Some Greek uses us as barter currency in his political blackmail. Mister Francois says that it is the French who will have the last word. They go back and forth, pulling on that miserable ping-pong ball that we all are, represented by Doctor Lopes and his "muchachos." Our prime minister is miserably deceived (?) with a piece of wrapping paper called a "constat d'accord," and immediately afterwards insulted by his colleagues of the "socialism of the South," then being left with certain "rightist" and "reactionary" governments, such as those of Mrs Thatcher and Mister Kohl, as supporters.

Responding to all of this, Doctor Lopes concluded brilliantly that the entry date "is not a basic problem."

This diplomacy of political cowards of ours, absurdly turned over to the minister of finance, has been going from retreat to retreat.

When is Portugal going to pound on the table?

8711

CSO: 3542/82

ECONOMIC

PORTUGAL

# POLL SHOWS POPULAR PESSIMISM ABOUT 1985 ECONOMY

Lisbon 0 JORNAL in Portuguese 28 Dec 84-3 Jan 85 p 23

[Text] The percentage of voters who describe the Portuguese economic situation as "very bad" or "bad" continues to be very high (92 percent), according to the Marktext/0 JORNAL poll for November. This negative view is also seen in the prospects for next year, a decline of four points overall of those who harbored optimism and an increase of 4 points of those who harbored pessimism.

According to the poll (interviews of 845 individuals over 18 in 16 places in the country between 8 and 12 November), only 11 percent of those interviewed believe that the economic situation of the country will be better next year (smallest number since January) and 51 percent believe that next year will be even worse.

With respect to the personal economic situation, the number of voters who describe it as "very bad" or "bad" increased three points. On the other hand, expectations for next year continue to be negative, with a worsening registered, whether it is because of a reduction in the number of persons who have a more optimistic viewpoint (it declined from 18 percent to 15 percent) or because the overall number of persons with a more pessimistic viewpoint increased (it went from 38 percent to 43 percent).

The percentage of those who believe the economic situation of the country to be "very bad" or "bad" reached its peak in March (93 percent), followed by April, May, June and September with 92 percent, a percentage reached again in November after a slight drop in October.

With respect to expectations on the economic situation of the country a year from now, the poll reveals an accentuated decline of those who have an optimistic view--11 percent, the lowest in a year. On the other hand, those who say that it will be worse a year from now rose to 51 percent, although in previous months higher values were reached.

Despite everything, there are still 11 percent who say that the economic situation of the country will be better a year from now, but that percentage, which reached its high points in January (21 percent) and July (20 percent), has been declining in recent months, reaching its lowest value this year in November.



On the other hand, comparing the economic situation of the country with that of the same period in 1983, it is noted that there is an increase in the percentage of those who say that it is worse: 70 percent in November compared to 61 percent in October. Despite everything, 6 percent say that it is better, which means a decline of one point relative to October.

8908

CSO: 3542/86

ECONOMIC

PORTUGAL

BRIEFS

FLAT TAX IN 1987--The director general of taxes and assessments, Francisco Pardal declared in Gouveia yesterday that the flat tax is going to be introduced into the Portuguese fiscal system in 1987. Francisco Pardal said that in the next 5 years "we are going to witness a radical change at the finance and treasury level, some for constitutional reasons and others by the requirement of Portugal's the future entry in the European Economic Community. "We do not want to collect taxes at random, rather, we want to collect them on income," declared Francisco Pardal. He asserted that "every-one must pay according to his means." [Excerpts] [Lisbon DIARIO DE NOTICIAS in Portuguese 20 Dec 84 p 3] 8711

NOVEMBER PRICE RISE--The National Statistics Institute (INE) revealed yesterday that consumer prices had risen 1.6 percent last November. This increase is close to the average increase that occurred in the first 9 months of the year (1.77 percent) and represents a turnaround in the slackening of the rate of inflation that had occurred in the previous 2 months.(0.9 percent in October and 0.3 in September). If the Consumer Price Index (IPC) for the month of December is equal to or less than 1.58 percent, the average inflation for the period December 1983-December 1984 will not exceed 22 percent despite the fact that the average inflation should be around 30 percent. All of this will be possible owing to the successive delay of the expected fuel price increase. It should be mentioned that from November of last year to November 1984, prices increased 24.9 percent. [Text] [Lisbon TEMPO in Portuguese 14-20 Dec 84 p 40] 8711

UNEMPLOYMENT STATISTICS--INE statistics reveal that the number of persons who were looking for their first job decreased between the end of 1983 and the beginning of the first half of this year. On the other hand, the secretary of state for employment emphasized yesterday that the percentage of unemployed looking for another job has increased compared to those who are looking for their first job. In the last quarter of 1984, there were about 190,000 persons looking for their first job, while in the second quarters of this year that number did not exceed 165,000. According to INE statistics also, the total number of unemployed in 1984 decreased from 479,000 in the first quarter to 464,000 in the second. The increased employment occurred especially in the categories of workers employed by others without a permanent contract (temporary work and term contract) and

self-employed workers who do not employ others. According to Vitor Ramalho, 64.3 percent of the unemployed are looking for another job and only 35.7 are looking for their first job. Of the total number of unemployed, 63.6 percent are women. [Text] [Lisbon DIARIO DE NOTICIAS in Portuguese 19 Dec 84 p 4] 8711

RISE IN FOREIGN INVESTMENT--Foreign investment in Portugal increased by nearly 30 million contos between January and August 1984, compared to the same period in 1983, it was revealed by the Foreign Investment Institute. In the first 8 months of 1984, foreign investment rose to nearly 110 million contos, compared to 80 million recorded in 1983. The sector in which foreign businessmen invested the most was in services (15 percent of the total) followed by commerce (13 percent), the metallurgical industry, tourism and pharmaceutical industry (all with 12 percent), the extractive industry (11 percent) and banking (6 percent). With respect to the origins of capital, the leadership goes to France (24 percent), followed by the United Kingdom and Switzerland (11 percent), Holland (5.5 percent) and the rest with 13.5 percent. By zones, the largest portion of foreign investment went to the CEE (54 percent) and EFTA (16 percent), followed by the United States, Japan and Macao with smaller percentages. [Text] [Lisbon A TARDE in Portuguese 24 Dec 84 p 11] 8908

DECLINE IN TRADE DEFICIT--Figures released this week by the National Statistics Institute revealed a 32.3-percent decline in dollars in the Portuguese balance of trade during the first 10 months of this year by comparison with a like period in 1983. Calculated in escudos, that deficit was 309.3 million contos, which represents a decline of 9.36 percent with respect to 1983 and 15.52 percent compared to 1982. Also according to the institute, between January and October there was an increase in the rate of coverage of imports by exports, which stood at 66.52 percent, compared to 54.27 percent and 41.68 percent in 1983 and 1982, respectively. In the same period, there was a reversal in the balance in trade with the EEC--the principal customer and supplier of Portugal--going from a deficit of 59 million contos in 1983 to a favorable balance of 16.1 million contos this year. Trade with EFTA recorded an improvement in the positive balance favoring Portugal, going from 2 million to 18.9 million contos during that period. [Text] [Lisbon EXPRESSO in Portuguese 22 Dec 84 p 14] 8908

BUYING POWER DECLINE FORECAST--Contrasting with the generally optimistic forecasts for the economies of the other member countries, the OECD forecast that buying power will continue to decline in Portugal in 1985. The efforts of the government must continue to be concentrated on seeking to contain the public deficit and inflation. The forecast of a more accentuated rise in prices by comparison with wages is explained by the 6-month report by the OECD as being caused by the "difficult condition of the labor market." The reduction in the rate of inflation from the present 27 percent (estimated) to 20 percent in 1985 is included in the same forecasts, which state that a diminished growth in exports and an increase in imports should make the Portuguese trade deficit grow even larger. The same report forecasts that the government will continue to try to reduce the deficit in state finances and maintain a restrictive monetary policy. [Text] [Lisbon EXPRESSO in Portuguese 22 Dec 84 p 14] 8908

ENERGY

FINLAND

## ELECTRONICS EXPORTS TO CEMA COUNTRIES DECREASING

Helsinki HELSINGIN SANOMAT in Finnish 15 Nov 84 p 39

[Text] The growth of electrical equipment and electronics industry exports is steadily continuing. In January-September export value rose 14 percent above that of last year and attained a figure of 3.2 billion markkas. According to Customs Administration figures, the growth of imports over the same period increased to 5.6 billion. The increase over last year's figure was 18 percent. Exports covered 58 percent of imports. During the first half of the current year exports increased 6 percent and the growth of imports amounted to 13 percent.

In the electrical and electronics products export sectors the emphasis has shifted to the EFTA group area. The countries of the groups's share of our exports was 30 percent. Growth since last year was 18 percent. With a 28-percent share of our exports the EC countries occupied a high second place; the increase in sales over those of last year was 34 percent. Exports to the CEMA countries declined somewhat with a fourth of electrotechnics industry exports directed to the East bloc countries. Trading company exports to foreign countries increased 15 percent.

The electronics industry's increased share due to the electrotechnics industry is also reflected in the export and import figures. Exports of electronics industry products increased 26 percent in January-September while imports rose 1 percent more during the same period. In the electric power technology sector export and import figures have remained the same as before.

The focal point of exports has shifted to consumer electronics. Data communications, automation and measuring equipment have also overtaken cables and conductors, which come next, in export volume.

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CSO: 3617/29

ENERGY

FINLAND

BRIEFS

NESTE TO REFINER LESS OIL FROM GDR—Neste [state oil company] will be refining GDR oil only on a spot-market basis when the present refining agreement expires. Therefore, practically speaking Neste did not get refining agreements for last year and this year. Last year Neste refined about 600,000 tons of GDR oil. The total volume of this year's agreement is a million tons, of which there will still be enough to refine almost 200,000 tons for next year. This year GDR oil has covered about 8 percent of the total supply for Neste's refineries. In the future, according to Neste, joint refining will continue, but without long-term agreements. So far Neste has not had refining agreements with any other country and the competition for them among the refineries, which are operating under capacity, is fierce. [Text] [Helsinki UUSI SUOMI in Finnish 6 Nov 84 p 23] 11466

CSO: 3617/29



ENERGY

NORWAY

LABOR PARTY ENERGY SPOKESMAN ON POLICY DIFFERENCES WITH WILLOCH

Oslo ARBEIDERBLADET in Norwegian 24 Dec 84 p 4

[Interview by Ivar Hippe: "Surprising Oil Year"]

[Text] "It is incomprehensible that the government abuses the Statoil leadership in the mass media instead of taking advantage of the administrative channels which exist." Labor Party Oil Spokesman Finn Kristensen is not gracious towards his opponents in the non-socialist camp at the end of this year, which for a long time promised to bring final peace to Norway's oil policy. "It is the government and not Mobil which is the problem in the Statfjord case," he roars out, while at the same time he is happy that the Storting majority finally opened the doors for Norwegian management responsibility in the Statfjord field between 1987 and 1989.

With the first big oil compromise in the spring of the year, 1984 promised to be the year when the so vital oil sector was laid to rest policywise. The production pace was no longer a major controversial issue, nor to such a great extent the percentage of Norwegian contracts for the Norwegian Shelf. The Statoil compromise was to have firmly laid the cornerstones of Norwegian oil policy.

Clarification

This was the intention. Because the compromise resulted in a clarification of Statoil's role as the central instrument of Norwegian oil policy. Gradually it was to be shown that what the parties perceived as basic agreement had a bad tendency to crumble in contact with currently significant conflicts. All the same, Finn Kristensen finds reason to maintain some central elements of the compromise which the Labor Party took the initiative for:

"After the Melbye Committee's proposals for essential changes in our oil policy, we felt a need to enter into a dialogue with the government parties in order to prevent Statoil's becoming a football. Agreement was created regarding Statoil's central role as manager of the State's total oil involvement. At the same time, it was agreed that the revenue and investment flow would be split up into a direct State part and a Statoil part. There is still dispute regarding the size of these shares."

[Question] But how real is the agreement when the government still comes out and discusses Statoil's management officially?

[Answer] "It is understandable that disagreement exists between an oil company and the government. It is incomprehensible that the government still comes out in the media instead of taking advantage of the administrative channels which exist."

[Question] Or is what is happening an expression of the fact that Statoil has become a State within the State?

[Answer] "I do not think so. And if this had been the case it would have dictated that the government utilize its control capabilities in order to enjoin the directives they think is necessary."

[Question] But is Statoil not managing to evade the government's control tentacles via extensive lobbying activity?

[Answer] "All companies carry out lobbying activity. It has become a natural part of the political process. Statoil, as do other companies, comes to the Industry Committee when we ask them to. They present their viewpoints and it is the job of politicians to evaluate them."

[Question] But in the Statfjord case one could get the impression that the security question was evaluated in accordance with the political stand. Do you see no danger in this?

[Answer] "The security question in Norwegian oil operations is to the greatest extent a political question. Transferring an operatorship raises a series of conditions for the change. The Oil Directorate also did this in its report. The essential thing for the Statfjord case was an agreement between Statoil and Mobil. Mobil said it was willing to enter into this type of agreement. In the Statfjord case it was the political will which was lacking."

#### For Takeover

[Question] Would you say that the Statfjord decision was a political victory from the Labor Party's viewpoint?

[Answer] "We insisted all the time that Statoil should be taken over, that we should take advantage of the option we had. The first possibility was 1986. Since the government chose to postpone the matter, 1 January 1987 is the earliest possible. If this takes place, we will be satisfied. However, the problem is that the government has not wanted to fix any final time for the takeover. They put in a 1987-89 sliding scale which we do not find any reasonable basis for. Mobil has said that they will contribute to the change in operatorship as of the moment the authorities want it. It is the government and not Mobil which is the problem."

[Question] What oil policy dividing lines do you see after the Statfjord case?

[Answer] "The debate has shown that a majority of the Conservative Party's government members have stood alone in saying no to the change in operatorship. They were pressured into a compromise by a solid majority in the Storting. It has been demonstrated that the disagreement is snipping off a piece of the Conservative Party. A piece which becomes bigger the farther you get from government offices. The exception is Arne Rettedal."

[Question] Why is it so important to replace the foreign companies?

[Answer] "It is important that a Norwegian company become responsible for management. We want to build up a Norwegian oil background, and up to now there are no Norwegian oil companies which have operated an oil field. It is important for Statoil that it acquires experience for future tasks, firstly, in Gullfax. Part of the objective of Norwegian oil policy has all the time been to milk Mobil for knowledge."

Render Qualified

[Question] Should we utilize our control over the oil to secure Norwegian industry foreign orders via so-called barter contracts?

[Answer] "No, I think it is more important to render Norwegian industry qualified, so that they will later be able to compete abroad. If good cooperation is achieved at home, it will be easier to go out the next time around."

[Question] In 1983, 277 oil rigs were built worldwide, and only four of them in Norway. Does this mean that we are too nice?

[Answer] "We must compete with foreign countries as far as the building of rigs is concerned. And if this takes place under like circumstances, we will manage to. We must elevate ourselves technologically as an industrial nation via the oil sector."

[Question] But it is claimed that the foreign oil companies are taking the new profits home with them again, is it not?

[Answer] "Yes, I have the distinct impression that this is the case, that the companies themselves are being left with the new profits."

[Question] Should an attempt be made to prevent this via legislation?

[Answer] "No, this is not necessary. The decisive thing is to give Norwegian industry greater opportunities. We want the oil companies to actively contribute to Norwegian industry's getting a decent share of contracts for the Norwegian Shelf. The development has been positive, and Statoil and Hydro have been hard workers in this process," Finn Kristensen says, who does not believe it is the share of Norwegian contracts which is decisive for our industry's future, but which assignments we obtain.

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